A Certain Idea of Europe

Craig Parsons

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CRAIG PARSONS

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To my father

Contents

Acknowledgments ix
List of Abbreviations xi

Introduction: The Institutional Construction of Interests 1

PART I: Choosing the Community Model

1. The Parting of the Ways 37
2. The Battle Widens 67
3. The Choice for the Community 90
4. Accepting the Community Model 117

PART II: From Community to Union

5. Making the Community Monetary 147
6. Relaunching the Community 177
7. Entering Euroland 202

Conclusion: Ideas into Interests 231

Index 243

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C. P.

Syracuse, New York

Abbreviations

AMUE	Association for the Monetary Union of Europe
CAP	Common Agricultural Policy
CDS	Centre des Démocrates Sociaux
CDU	Christlich Demokratische Union
CEA	Commissariat à l'énergie atomique
CEEC	Conference on European Economic Cooperation
CFSP	Common Foreign and Security Policy
CGA	Confédération générale de l'agriculture
CNPF	Confédération national du patronat français
COG	Chief of government
EC	European Community
ECB	European Central Bank
ECJ	European Court of Justice
ECSC	European Coal and Steel Community
ECU	European Currency Unit
EDC	European Defense Community
EEC	European Economic Community
EFTA	European Free Trade Association
EMS	European Monetary System
EMU	Economic and Monetary Union
EP	European Parliament
EPU	European Political Union
ERT	European Roundtable of Industrialists
ESPRIT	European Specific Programme for Research in Information Technologies
EU	European Union
FNSEA	Fédération nationale des syndicats d'exploitants agricoles
FTA	Free Trade Area
IAR	International Authority for the Ruhr
IGC	Intergovernmental Conference
IMF	International Monetary Fund
MAE	Archives Diplomatiques du Ministère des Affaires Étrangères
MLF	Multilateral Force
MRP	Mouvement des Républicains Populaires
NATO	North Atlantic Treaty Organization
OECD	Organization for Economic Cooperation and Development

OEEC	Organization for European Economic Cooperation
PS	Parti Socialiste
RPF	Rassemblement du Peuple Français
RPR	Rassemblement pour la République
SEA	Single European Act
SFIO	Section Française de l'Internationale Ouvrière
SGCI	Secrétariat Général pour le Comité Interministériel sur les questions de coopération économique européenne
SPD	Sozialdemokratische Partei Deutschland
UDF	Union pour la Démocratie Française
UDR	Union pour la Défense de la République
UDSR	Union Démocratique et Socialiste de la Résistance
UNR	Union pour la Nouvelle République
VAT	Value added tax
WEU	Western European Union
WHO	World Health Organization

A Certain Idea of Europe

INTRODUCTION

The Institutional Construction of Interests

> Force them to build a tower together and you will transform them into brothers.
>
> ANTOINE DE SAINT-EXUPÉRY

The European Union is, by all accounts, a remarkable creation. Its authority and scope resemble those of a weak federal state. Globally, it stands out as the major exception in the thinly institutionalized world of international politics. Something has led Europeans—and arguably only Europeans—beyond the political framework of the nation-state.

This book argues that this "something" was a particular set of ideas that appeared in Western Europe after the Second World War. Confronted by the two great wars and a fundamentally reconfigured environment, many Europeans began to reconsider long-held assumptions about the costs, benefits, and appropriate form of international cooperation. The new environment did not dictate their response, however. By the 1950s, a debate had emerged between advocates of several different views of Europeans' interests. One, the "community" model, connected a wide range of national problems to solutions in "supranational" European institutions, like those of today's EU. Others (the "traditional" and "confederal" models) defended solutions within the existing nation-state system, or in less radical departures from it. All were technically and politically viable ways to conceptualize Europeans' various "national interests." Only because certain leaders repeatedly chose "community" projects—and because these divisive debates gave leaders the autonomy to choose—did the EU gradually arise.

This story is not just about the assertion of certain ideas by an elite minority. It is also about how those ideas ruled out others as active options, making their victory permanent. A key aspect of this process was inherent in community ideas themselves. Since they focused on building new institutions, "pro-community" leaders left a legacy of new institutional constraints to their successors. When advocates of other ideas came to power, they found themselves pressed to adapt their own strategies to this legacy. Such adaptation was far from complete; confederalist or traditionalist leaders were able to block further community steps, and could partly reorient European relations toward their favored models. But since their competing ideas did not focus on major new institutions, their periods of rule left few new constraints to their successors. When community champions regained power, they were free to restart

their project. Over time, the accumulation of community initiatives recast the framework for all of European politics. Once-powerful alternative ideas were crowded out as active possibilities.

This causal process of the institutionalization of ideas is the heart of the EU story. The community model became embedded as the constitutive "rules of the game" in contemporary Europe, effectively defining the interests even of actors who long advocated other ideas. This process caused and concretized one outcome from a very wide range of otherwise viable options. Those other options—the paths suggested by the other historically active ideas—differed not just institutionally from today's EU but substantively as well. I argue that only community ideas led to the EU's three most prominent policy elements: the Common Agricultural Policy, the Single Market, and the single currency. Without the causal drive of these ideas and their institutional consequences, Europe would have nothing close to these arrangements. Rather than standing out as exceptional in international politics, Europe would reflect the thinly institutionalized rule.

I demonstrate this argument in a detailed study of French policy-making in European integration from 1947 to 1997. The victory of the community project was not determined solely in France, but the key battle of European ideas occurred there. All accounts agree that Europe's other governments were willing to strike less institutionally ambitious bargains at each major step in the EU's construction; French insistence on the community model repeatedly decided the outcome. In the 1950s, France's partners generally preferred broad, weak cooperation to the institutionally strong, geographically limited European Economic Community (EEC) that Paris demanded. In the 1970s, the French increasingly championed delegations of monetary sovereignty over British and German reticence. In the 1980s, the French led the charge to strengthen the EEC institutions over British opposition and German hesitation. In the 1990s, the French wrested monetary union from a skeptical Germany while the British stood aside. Rather than reflecting a consensual national strategy, however, these French initiatives all emerged from a deep internal policy battle. Debate between community, confederal, and traditional European strategies consistently cut across the main right–left lines in French politics. These fragmented demands meant coalitions could be crafted to support any of several strategies. When pro-community leaders achieved power on other issues, they gained the autonomy—never the mandate—to assemble support behind their personal ideas on Europe. The institutional consequences of their initiatives progressively bound their compatriots, and all of Europe, into the community architecture.

The clarity and extent of this crosscutting battle of ideas in France also provide foundations for a much broader theoretical argument. My larger contribution does not take the form of a general "theory of ideas"; I suggest only a way to show that ideas matter, not a logic about when they do. (I suspect they always matter a great deal.) I argue, however, that my ability to nail down the

wide impact of ideas in this case creates an unprecedented challenge to the prevailing standards for theorizing across the social sciences. These standards prioritize generality above all else. They suggest that my historical claims have little value without a general theory of ideas, or of institution building, or of some putatively general phenomenon. The problem with such standards is that they assume, quite unscientifically, that the world of human action is a highly general one. This study is constructed to convince even hard-nosed skeptics that the generality of the political world is an open question. Massive elements of contemporary Europe that mainstream scholars (and actors) now take as necessities in fact reflect the implications of a particular ideology. If this claim is plausible, all social science theorizing must at least allow that the same may be true elsewhere: that variation in any set of sociopolitical outcomes occurs for particular reasons (reflecting nonnecessary, historically situated, creative inventions of certain human beings) rather than for general ones. The mere possibility of a deeply particular, "socially constructed" world makes it illogical to accept generality as a standard a priori for theoretical value. Thus the kind of argument advanced in this book—a falsifiable set of historical claims about wide variation in important outcomes, assembled in a coherent theoretical logic—constitutes a more appropriate model of theoretical contribution in the social sciences.

THREE VIEWS OF INSTITUTION BUILDING

Explanations of institution building take three broad forms. For "structuralists," institution building responds to direct environmental pressures. Human beings are assumed to have similar, constant preferences for material concerns like security or economic welfare. They choose the actions that most rationally realize these goals given objectively available options. Actors' choices are thus explained as functions of their environmental constraints.[1] Certain structural circumstances explain why certain institutions arise and persist.[2]

This view dominates scholarship on institution building in comparative and international politics, as well as the specific literature on European integration.[3] For Andrew Moravcsik, today's EU is the result of "normal politics."[4] It

1. These analyses are often called "rationalism," but I use the term "structuralism" because some institutionalist approaches also assume rational actors. The purest statement of rational-structuralist theory is Gary Becker, *The Economic Approach to Human Behavior* (Chicago, 1976). For an eloquent defense in international relations, see Kenneth Waltz, *Theory of International Politics* (Reading, Mass., 1979).

2. Structuralists see institutions either as solving objective *collective action problems* among actors, or as securing objective *distributional benefits* for the actor(s) with the power to set the rules.

3. For general reviews that make this case, see Oran Young, "The Politics of International Regime Formation," *International Organization* 43:3 (1989), 349–75; Steven Weber, "Origins of the European Bank for Reconstruction and Development," *International Organization* 48:1 (1994), 1–38.

4. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998).

reflects the straightforward aggregation of the objective economic interests of domestic groups, through government policies, into a series of European-level intergovernmental bargains. If the EU is exceptional in international politics, this is because postwar Europe felt a particularly acute version of global trends to economic and political interdependence. Many leading EU historians make broadly similar arguments. For Alan Milward, this institutional project emerged as policy-makers sought to preserve economic welfare and political order amid the changing structural conditions of postwar Europe.[5] Frances Lynch uses this logic to explain French policies toward Europe in the first postwar decades.[6] William Hitchcock presents the French pursuit of integration as a consistent, rational reaction to geopolitical constraints.[7]

This view of institution building as driven by the "constant causes" of structural constraints has been challenged most frequently by arguments privileging "historical causes."[8] They constitute the "institutionalist" view of institution building. Here manmade organizations, conventions, and rules are held to intervene between environmental pressures and actors' choices. Institutionalists do not necessarily contest that institution-building projects originate from structurally dictated material interests.[9] But once institution building begins, they suggest, it can lead to feedback on the context for subsequent interaction. Organizations and rules advantage or disadvantage certain actors in ways independent from underlying structural conditions. Thus institutions may reflect actors' objective interests at their genesis, but do not necessarily adjust when structural conditions change. Instead, they constrain choices in a "path-dependent" process that can strongly skew political dynamics and outcomes over time.

Claims that institution building shapes subsequent action are now very common.[10] One such argument provided the foundations of the EU literature. In the late 1950s, Ernst Haas constructed his "neofunctionalist" account of European integration around an institutional concept he called "spillover."[11] Though Haas implicitly accepted structural causes of the first European institutions, he argued that their innovative creation of "supranational" European

5. Alan Milward, *The Reconstruction of Western Europe, 1945–1951* (London, 1984); *The European Rescue of the Nation-State* (Berkeley, 1992).

6. Frances Lynch, *France and the International Economy: From Vichy to the Treaties of Rome* (New York, 1997).

7. William Hitchcock, *France Restored: Cold War Diplomacy and the Quest for Leadership in Europe, 1944–1954* (Chapel Hill, N.C., 1998).

8. Arthur Stinchcombe, *Constructing Social Theories* (New York, 1968), 101–29.

9. Some institutionalist scholars do break with structuralist-style motivations to various degrees, notably sociological institutionalists and some historical institutionalists. In my categorization, they overlap with the third perspective on institutions (the ideational view). Variations of institutional logics are discussed below.

10. For a review, see Peter Hall and Rosemary Taylor, "Political Science and the Three New Institutionalisms," *Political Studies* 44:5 (1996), 936–57.

11. Ernst Haas, *The Uniting of Europe* (Stanford, 1958); "International Integration: The European and the Universal Process," *International Organization* 15:3 (1961), 366–92.

agents could feed back to affect Europe's future. This institutional change altered "normal politics" in Europe, opening up new possibilities. Driven by interests in increasing their own power, European agents might construct new European-level policies that promised domestic groups more welfare than those on offer by national governments. If this occurred, integration would spill over to new policy areas. Society–state relationships would be gradually supplanted by "society–Europe" ties. Political loyalties would shift to the supranational political unit. Though Haas's heady predictions for Europe were falsified by the early 1970s, his theoretical mechanism prefigured a wave of similar arguments in the 1980s and 1990s.[12] "Constant cause" approaches, they assert, must be supplemented by "historical cause" analysis. The exceptional EU outcome resulted above all because early postwar Europe set itself on a self-reinforcing institutional path.

The third view makes a more fundamental critique of structuralist explanation and a partial critique of institutionalism as well. An "ideational" approach suggests that structural circumstances rarely dictate a specific course of action, and even institutional constraints may admit of multiple interpretations. The cognitive lenses through which actors interpret their surroundings shape how they respond to structural or institutional pressures. Any choice is predicated on assumptions about causal relationships, the prioritization of costs and benefits, and the normative legitimacy of various actions. Thus ideas (or "norms" or "identities" or "culture") affect action in two ways. On the one hand they constitute particular actors and their frameworks of action; the idea of sovereignty constitutes the state. More prosaically, ideas cause actions in a normal chronological sense; holding certain ideas at time t leads an actor to choose a certain action at time $t + 1$ that she would not have chosen otherwise.[13] Though structural or institutional pressures may affect actors' beliefs, in neither their constitutive nor their causal capacities do ideas reduce to such pressures. Ideas are autonomous factors in politics, and certain institutions arise because of the ideas actors hold.

Like structuralism and institutionalism, such arguments have a long pedigree.[14] They have also received growing attention in international and comparative politics since the 1980s. Most prominent among international relations (IR) theorists is the "constructivist" school, which draws upon a soci-

12. Paul Pierson, "The Path to European Integration: A Historical Institutionalist Analysis," *Comparative Political Studies* 29:2 (1996), 123–163; Wayne Sandholtz, "Membership Matters: Limits of the Functional Approach to European Institutions," *Journal of Common Market Studies* 34:3 (1996), 403–29; Sandholtz and Alec Stone Sweet, eds., *European Integration and Supranational Governance* (New York, 1998).

13. On this distinction, see Alexander Wendt, "On Constitution and Causation in International Relations," *Review of International Studies* 24:5 (1998), 101–18.

14. Though "ideas" are not the same as "culture" (see below), an ideational approach is a kind of cultural perspective. For a broad review, see Marc Howard Ross, "Culture and Identity in Comparative Political Analysis," in *Comparative Politics: Rationality, Culture, and Structure*, ed. Mark Lichbach and Alan Zuckerman (New York, 1997), 42–80.

ological tradition to argue that all interests are socially constructed.[15] Constructivists tend to emphasize constitutiveness, highlighting the presence and evolution of intersubjective norms that shape states and their interaction. Comparativists and other IR scholars in the so-called ideas literature tend to focus on the causal impact of more discrete policy beliefs.[16] Recently, both literatures have converged on the EU. Constructivists argue that national positions and policies in the EU reflect national "identities" reconstituted in the process of integration.[17] Comparative political economists focus on how certain ideas about monetary policies and liberalization set the stage for the EU's acceleration since the mid-1980s.[18]

This book is thus part of a growing ideational literature on the EU. It attempts, however, to turn it in two new directions. First, in theoretical terms, ideational work (on the EU and elsewhere) has generally emphasized either the structuring presence of constitutive norms or the immediate causal impact of certain ideas, without tracing the process by which certain ideas become embedded as constitutive norms or identities. I focus on this link, showing how ideas about Europe that were once hotly contested came to define the interests of all European actors. In so doing I incorporate elements of both causal and constitutive ideational approaches. Since much of my story concerns fairly discrete ideas before they became embedded norms, my vocabulary largely follows from the causal "ideas" literature. For reasons of tactical argumentation that will become clear below, I also often write as if I accept the more modest, "residual cause" view of ideas suggested by much of the "ideas" school.[19] Yet my ultimate sympathies and ambitions lie with the constitutive focus of constructivists. I argue not only that ideas cause actors to make certain choices, but that the institutionalization of certain ideas gradually reconstructs the interests of powerful actors.

Second, this book takes ideational work on the EU in a new direction in focusing directly on the ideology of European integration. To date, ideational scholarship in this context has highlighted changing economic ideas or par-

15. Nicholas Onuf, *World of Our Making* (Columbia, S.C., 1989); Alexander Wendt, *Social Theory of International Politics* (New York, 1999); Martha Finnemore, *National Interests in International Society* (Ithaca, 1996); Peter Katzenstein, ed., *The Culture of National Security* (New York, 1996).

16. Peter Hall, ed., *The Political Power of Economic Ideas: Keynesianism across Nations* (Princeton, 1989); Peter Hall, "Policy Paradigms, Social Learning, and the State," *Comparative Politics* 25 (1993), 275–96; Kathryn Sikkink, *Ideas and Institutions: Developmentalism in Argentina and Brazil* (Ithaca, 1991); Judith Goldstein and Robert O. Keohane, eds., *Ideas and Foreign Policy* (Ithaca, 1993); J. Nicholas Ziegler, *Governing Ideas: Strategies for Innovation in France and Germany* (Ithaca, 1997); Sheri Berman, *The Social Democratic Moment: Ideas and Politics in the Making of Interwar Europe* (Cambridge, 1998).

17. See, for example, Martin Marcussen et al., "Constructing Europe? The Evolution of French, British, and German Nation-State Identities," *Journal of European Public Policy* 6:4 (1999), 614–33; Knud Jørgensen, ed., *Reflective Approaches to European Governance* (New York, 1997).

18. Kathleen R. McNamara, *The Currency of Ideas: Monetary Politics in the European Union* (Ithaca, 1998); Nicolas Jabko, "In the Name of the Market: How the European Commission Paved the Way for Monetary Union," *Journal of European Public Policy* 6:3 (1999), 475–95.

19. See below; residual thinking is best exemplified by Goldstein and Keohane, *Ideas.*

ticular national identities, but has basically ignored ideas about "Europe" itself. This seems odd, at least superficially. Since the early postwar period, many European leaders have loudly proclaimed their commitment to various kinds of "European Union." Nontheoretical observers have uniformly described the champions of Europe's major institutional steps as ideological devotees of "supranational" integration. Their political opponents have often denounced them in similar terms. Yet academically, only a few vague works give any attention to European ideology.[20] Scholars seem to have quickly become and remained highly skeptical of the rhetoric of European unification.

This skepticism is a healthy reflex, of course. Cheap talk about European integration has never been in short supply. Still, my contention is that not all such rhetoric is disingenuous. I show that certain ideas about Europe have shaped the French pursuit of European institutions, and by extension European outcomes themselves. At each step forward in institution building, ideas have provided a measurable "constant cause" directing the process along. In addition, I connect this argument to "historical causes" of an institutionalist logic of path dependence, showing that these ideas have been progressively embedded to constitute the "interests" perceived by all French leaders (whatever their ideas). The result is a striking contrast to either structuralist or pure institutionalist accounts. Europe's institutions do not reflect a simple aggregation of structurally determined interests. Nor are they merely an incremental institutional evolution from their founders' intentions. They are the product of a supremely political project that has bound all Europeans into a certain ideological agenda.

THE INSTITUTIONAL CONSTRUCTION OF INTERESTS

My basic understanding of the institutionalization of ideas draws on several complementary literatures. My view of ideas rests on Ann Swidler's broader discussion of culture.[21] Culture is a "tool kit" or "repertoire" of ways to organize behavior. Members of a culture share a restricted set of ways of dealing with any situation; this limits and channels their strategic choices. Ideas are the semi-discrete tools within such a kit. They are packages of related causal and normative assumptions that assign costs and benefits to possible actions.[22] Like culture in general, shared ideas concern the means more than the ends of action. People who share certain ideas agree on ways of diagnosing problems and organizing action, though the ultimate ends they attach to those actions may

20. Henri Brugmans, *L'idée européenne, 1918–1965* (Bruges, 1965); Walter Lipgens, *Die Anfänge der europäischen Einigungspolitik, 1945–1950* (Stuttgart, 1977).

21. Ann Swidler, "Culture in Action: Symbols and Strategies," *American Sociological Review* 51 (1986), 273–86.

22. I use "ideas" differently from Swidler, who equates the term to actors' ultimate "values" (the ends of action). My "ideas" are like her "strategies of action." Though these ideas may include elements of "myths" or "discourses," I think of them as differing from these terms in addressing action more directly; myths or discourses offer bundles of symbols and values to which many strategies could be attached, while ideas are strategies to which various values and symbols could be attached.

vary more widely. We will see, for example, that French politicians on the right and the left with quite different values shared a certain analysis and vocabulary in advocating supranational institution building as the appropriate shape for European cooperation.

Additionally, ideas themselves can occupy various levels of generality and precedence, such that actors may attach different minor ideas to the same major idea. In other terms, actors who share one idea as the "master frame" for their action in an arena do not necessarily agree on more detailed actions therein. The French politicians of right and left who championed the master frame of a "community" Europe often disagreed over lesser (but still significant) arrangements within it.[23] In the vocabulary of John Searle, pro-community politicians have advocated similar "constitutive rules" for the construction of a certain European arena, while not always favoring the same "regulative rules" for policies within that arena.[24]

Many semirelated ideas compose a culture, but on any given issue cultures often contain several competing ideas. Choosing one ideational tool from the kit to frame or set the agenda for group action thus often occasions major political conflict.[25] Such conflicts are particularly common in times of major structural change, when previously framed ideas or set agendas are reopened. During these "epochal moments," new problems can provoke the creation of new ideational tools.[26] Innovations do not necessarily respond functionally to the new situation; adaptation of older ideas, or other new ideas, may suggest other solutions.[27] The result is a "battle of ideas" in which groups or organizations debate several viable strategies. In such battles, when group positions are contested and coalitions are unclear, the personal views of top leaders can decide between very different alternatives.[28] My story displays the emergence and consequences of such a battle between community, confederal, and traditional ideas about French interests in European institution building.

Battles of ideas are never separate from battles over the distribution of ma-

23. On ideas at different levels of generality, see John Campbell, "Institutional Analysis and the Role of Ideas in Political Economy," *Theory and Society* 27 (1998), 377–409. On "cultural frames" in group action, see Erving Goffman, *Frame Analysis* (Cambridge, 1974).

24. John Searle, *The Construction of Social Reality* (New York, 1995).

25. On agenda setting, see John Kingdon, *Agendas, Alternatives, and Public Policies* (New York, 1984).

26. Similar terms are "unsettled periods," "institution-building moments," "context-making eras," or "constitutional moments." Gerald Berk, *Alternative Tracks: The Constitution of American Industrial Order, 1865–1917* (Baltimore, 1994); Neil Fligstein and Iona Mara-Drita, "How to Make a Market: Reflections on the Attempt to Create a Single Market in the European Union," *American Journal of Sociology* 102:1 (1996), 1–33; Roberto Unger, *Politics, a Work in Constructive Social Theory*, 3 vols. (Cambridge, 1987); Bruce Ackerman, *We the People*, vol. 1: *Foundations* (Cambridge, 1991).

27. In other words, designation of "problems" is not necessarily closely matched to creation of "solutions," as suggested in Michael Cohen, James March, and Johan Olsen, "A Garbage Can Model of Organizational Choice," *Administrative Science Quarterly* 17 (1972), 1–25.

28. Thus I share the focus of several ideational arguments on top policy-making elites; Judith Goldstein, "The Impact of Ideas on Trade Policy: The Origins of U.S. Agricultural and Manufacturing Policies," *International Organization* 43:1 (1989), 31–71; Sikkink, *Ideas*, 26.

terial gains. The former are important precisely because they can set the lines, dynamics, and results of the latter. Thus if I present my ideational argument as a competitor to structuralist or pure institutionalist approaches, this is not because these basic logics are mutually exclusive.[29] Material reality, organizational arrangements, and ideas all play roles in politics. The interesting debate is not between them as incompatible concepts; it concerns how much we need ideational factors—ideas and their institutionalization—to explain how actors define their interests. In my argument, I allow that structural and institutional pressures may have given postwar Europeans broad interests in developing international cooperation but assert that they did not dictate the shape or extent of that cooperation. Within this structural and institutional environment, leaders' ideas led them to select in particular ways from several alternatives with very different institutional and distributional consequences. In other words, my focus on the "autonomous" role of ideas does not imply a monocausal account. To paraphrase Richard Biernacki, I show that ideas exercise an influence *of their own* but not completely *by themselves.*[30]

My view of institutionalization is consistent with a variety of institutionalist vocabularies (elaborated below). I focus on formal institutions: explicit agreements that specify the rights and obligations of governments and other actors. The fundamental stuff of institutions is cognitive, consisting of actors' expectations; people negotiate new agreements to establish new expectations about rights and obligations.[31] But institutions also often assume physical, organizational manifestations in the location of people and resources. Both aspects of institutions inform my logic on the institutionalization of ideas. Ideas are institutionalized if earlier advocates of other ideas come to act in accordance with them.[32] This happens through the pressures of expectations and organizations engendered when certain ideas lead to certain institutional arrangements. The expectations of an actor's interlocutors can constrain it; promises made to powerful partners are hard to ignore. Organizational arrangements, once in place, can also make it costly to change strategies. For both reasons, institution building puts new constraints on subsequent action. Dissidents within groups that make new institutional commitments are pressed, to some degree, to alter their choices. This book is about how a new master frame idea became, through institutionalization, the "constitutive rules" of the European political game. The task of the following sections is to develop these abstract views on ideas and institutionalization into an empirically demonstrable argument. I do so in four

29. These logics do often imply different epistemologies, but they do not have to. I subscribe to an epistemological position close to Wendt's scientific realism, which recognizes the interpretive challenge of social science in a socially constructed world but holds that reasonably objective study of ideas and norms as "social facts" alongside structural or institutional "facts" is possible. Wendt, *Social.*

30. Richard Biernacki, *The Fabrication of Labor* (Berkeley, 1995), 35.

31. This is much like the definition of "norms" in Ronald Jepperson, Alexander Wendt, and Peter Katzenstein, "Norms, Identity, and Culture in National Security," in Katzenstein, *Culture,* 54.

32. Provided, of course, that no other cause forces this change in behavior.

steps. First I describe the challenge of specifying the causal impact of ideas. Next I suggest how, under certain conditions, this challenge can be overcome. Third, I discuss how (and how to show that) ideas become institutionalized. Fourth, I consider why certain ideas and not others may engage this process, becoming embedded as the framework of a political arena.

Ideas and the "How Much?" Problem

For students of politics, the basic problem for ideational argument is to separate the causal effects of actors' beliefs from direct structural or institutional pressures.[33] This problem occurs at two levels. First, ideas are by their nature Janus-faced. In some cases actors' beliefs may guide their actions; in others their apparent beliefs simply rationalize strategies chosen for other reasons.[34] Telling the difference between the two situations is difficult. Second, even assuming ideas do have causal impact, they do so as interpretations or "filters" of the objective environment. Wherever ideas have causal effect—in Max Weber's famous phrase, acting as "switchmen" among various material possibilities—so too does the objective context they interpret.[35] Causal ideational argument must separate the ideational filter from its context, isolating the subjective components of actors' "interests" from their direct responses to the environment.

At the postmodern extreme of the ideational literature, this challenge is met by denying it. The very notion of an accessible objective context is rejected, making interpretation of ideas the entire exercise, without attempts to relate ideas to objective pressures. More mainstream ideational arguments, however, use fairly standard social science methods to suggest the need for similar kinds of interpretation. Most common in the constructivist and comparative literatures is reliance on some kind of "process tracing."[36] The observer traces the objective pressures impinging on certain decisions and concludes that they did not fully determine a choice. Thus we need to interpret the beliefs that did.[37] Cross-case comparisons are also often used to set up interpretation of ideas. In contexts ranging from the early Industrial Revolution to interwar military strategizing, scholars have shown that actors in objectively similar situations can adopt different strategies due to different ideas.[38] Other studies show the need for interpretation in the proliferation of similar policies across structurally different cases.[39]

33. I leave to psychologists or philosophers questions of how exactly ideas affect action at the most basic level. For political scientists, the trick is not to explain why ideas would cause action in the abstract, but to show that a given actor holds certain ideas and that this leads to certain actions.

34. David Laitin, *Hegemony and Culture* (Chicago, 1986), 11–20.

35. Max Weber, "Social Psychology of the World's Religions," in *From Max Weber: Essays in Sociology*, ed. H. Gerth and C. Wright Mills (New York, 1958), 280.

36. Alexander George, "The Causal Nexus between Cognitive Beliefs and Decision-Making Behavior," in *Psychological Models in International Politics*, ed. L. Falkowski (Boulder, Colo., 1980).

37. Hall, *Political;* idem, "Policy"; Goldstein and Keohane, *Ideas*, 26.

38. Biernacki, *Fabrication;* Elizabeth Kier, *Imagining War* (Princeton, 1997); Berman, *Social.*

39. Finnemore, *National.*

Especially when combined, these methods produce strong claims that ideas can affect politics to some degree. Their main weakness, however, is their apparent inability to show *how much* ideas cause certain outcomes. These scholars offer qualitative assessments of the indeterminacy left by objective pressures, and interpretations of how certain ideas resolved it. Yet skeptics can always question the former assessment, suggesting (for example) that the objective economic pressures toward a strategy have been underestimated—meaning ideas caused it less than has been claimed. A process-tracing focus on a single course of action also offers little counterfactual leverage: what was the range of possibilities without these ideas? Cross-case comparisons help in this respect, suggesting alternatives in similar situations. But cross-national comparisons are rarely similar enough to ascribe all their variation to ideas. Critics may suspect that unnoticed differences in structures or institutions account for part of the divergence.[40]

Overall, laments one sympathetic reviewer, ideas in today's literature are "simply *another* rather than *the* causal factor."[41] For skeptics, these "how much" questions make all the difference. If variation in ideas alone cannot be tied to specific variation in historical outcomes, concludes a less sympathetic reviewer, ideas can still be dismissed as "a valuable supplement to [objective-] interest-based, rational actor models."[42] Moravcsik defends the same view, quite powerfully, on the rhetoric of European unity. The "how much" challenge is the greatest barrier to my argument—and the largest remaining obstacle to the broad acceptance of ideas as major causes in politics.

One Way to Tie Ideas to Historical Outcomes

An unfortunate result of this "how much" challenge is that some scholars of ideas have stopped trying to make causal arguments altogether, asserting instead that the "constitutive" nature of ideas relieves them of the need to make clear causal claims.[43] Others do the same thing implicitly, making causal claims but failing to engage seriously with nonideational alternative explanations.[44] Yet there are some settings where ideational arguments can do more than preach to the choir. Where ideas strongly crosscut prevailing lines of organi-

40. Berman, *Social*, 11.

41. Mark Blyth, "'Any More Bright Ideas?' The Ideational Turn of Comparative Political Economy," *Comparative Politics* 29:2 (1997), 229–50. A reviewer of constructivism echoes that "norms are invoked as one of several causal variables with little or no insight given on how much of the outcome they explain." Jeffrey Checkel, "The Constructivist Turn in International Relations Theory," *World Politics* 50 (1998), 324–48. Original emphasis.

42. John Kurt Jacobsen, "Much Ado about Ideas: The Cognitive Factor in Economic Policy," *World Politics* 47:2 (1995), 283–310.

43. For overviews of this debate, see Friedrich Kratochwil, "Constructivism as an Approach to Interdisciplinary Study," in *Constructing International Relations: The Next Generation*, ed. Karin Fierke and Knud Erik Jorgenson (London, 2001), 13–36; Mark Laffey and Jutta Weldes, "Beyond Belief: Ideas and Symbolic Technologies in the Study of International Relations," *European Journal of International Relations* 3:2 (1997), 193–237.

44. This book is necessary, however, because the reverse is much more the case: nonideational arguments rarely make any effort to address ideational alternatives.

zation in a political arena, we can display their autonomous impact in robust, methodologically conservative ways that should convince even the staunchest skeptics. Such cases will not prove that ideas matter everywhere, but they will establish that ideas can be major causes in politics.

This subsection elaborates the logic and methods behind this claim. Readers who already accept that ideas matter may find my approach exceedingly restrictive: I attribute causal effects to ideas only where their impact is most clearly demonstrable, and in so doing may miss their more subtle influence. Such tactical concessions are necessary, however, to achieve the larger goals of this book. To establish the broad plausibility of social construction and restructure our disciplinary criteria for theoretical progress, we must confine ourselves to strict, conservative, empirically demonstrable assertions.

Crosscutting Ideas and Individual Variation

Crosscutting ideas have particularly clear effects because they offer the sharpest possible contrast to the expectations of objective-interest theories. All such theories define actors' interests in terms of objective conditions at some level of organization. For realists, individuals in a state share interests defined by the distribution of power; political party theorists trace members' interests to electoral or coalitional constraints; bureaucratic theorists highlight units' interests within organizational rivalries; and liberals or Marxists derive group interests from economic constraints (in different ways). Ideational approaches posit, in contrast, that actors interpret their interests through ideas that can vary independently from their objective positions. Their greatest divergence from objective-interest theories thus occurs where ideas vary as independently as possible from organizational lines, strongly crosscutting the potential channels of interest aggregation in an arena. This does not mean that ideas have stronger causal effects where they crosscut groups; ideas shared within powerful groups may be equally (or more) significant for important outcomes. It simply means that ideas' autonomous effects should be particularly *demonstrable* in these cases.

To see this assertion in more detail, consider how it responds to the "how much" problem. We could isolate ideas precisely if we found an extremely close comparison, contrasting actors in near-identical places in the objective world to highlight the purely ideational variations in their behavior. Such comparisons are available at the individual level, within groups. Close organizational peers share positions in the objective world; comparing their views of their groups' interests can separate variation in their ideas from variation in objective pressures. Take two French diplomats, with similar social backgrounds and party sympathies, in the same office of the Foreign Ministry in 1950. One insists on French interests in a new "supranational" Franco-German federation; his colleague sees French interests in policies based on an informal partnership with Britain. These similarly placed individuals face all the same objective pressures but seem to interpret them differently.

If other similarly placed individuals across France also disagree with respect

to similar strategic choices (in a pattern that crosscuts parties, bureaucracies, economic groups), this suggests that objective pressures leave French interests more broadly indeterminate across these alternatives. Two further kinds of evidence are necessary to draw this conclusion with confidence, however. First, debate within groups must persist to and past important collective decisions. Otherwise initial debates may simply reflect a vetting of options, from which a consensual group position coalesces as the need for a decision approaches. Second, to show that crosscutting debates reflect competing ideas rather than simple chaos, we need the kind of "interpretive" evidence typically offered by ideational accounts: that actors consistently say and write that they believe certain things, and that their peers think differently. Given a deeply crosscutting pattern of debate across a range of options, persistent divisions, and good rhetorical evidence, we can conclude that ideas alone are causing individual variation across that range.[45]

This conclusion does not rule out that historical or psychological factors other than simple "ideas" (like past socialization, psychological dispositions, or individual experiences) may have led to this pattern of debate. But as long as current patterns of mobilization do not trace to current objective conditions (and do trace to differences in rhetoric), we have evidence that ideational factors are currently influencing action. Psychological or historical factors may help explain why actors came to hold certain ideas, but neither invalidates the claim that ideas are now causing variation in behavior. In other words, explaining the distribution of ideas as dependent variables is legitimately separate from showing their presence and effects as independent variables.[46]

Far from exaggerating the range of purely ideational variation in individuals' views, this approach minimizes interpretive biases. It differs from most ideational arguments in that it is the actors, not the observer, who are defining the range across which ideas matter (see figure 1). One actor wants to pursue option X; one of her close peers, in the same objective position, wants to pursue option Y. Given good evidence of differing preferences, and careful verification that they face identical objective constraints, this control for objective causes is as free from bias as qualitative observations can be.

Furthermore, this finding should tend to systematically underestimate the overall impact of ideas on individuals' views. Open disagreements may well be narrow debates within a consensus built on other ideas. French elites in the 1950s, for example, may share ideas about the legitimacy of the state, democracy, capitalism, and so on that greatly limit their debate over European policies. Nor may individuals voice the full range and strength of their views in internal debates, especially in hierarchical organizations like governments. Even when they do, obtaining evidence of internal dissent after the fact is of-

45. Provided there are no clear individual-level incentives to disagree, as in career competition. I see no pattern of such incentives in my case. *Disincentives* to internal disagreement seem more common in most organizations.

46. Kingdon, *Agendas,* 77; Kier, *Imagining,* 148; Paul Kowert and Jeffrey Legro, "Norms, Identity, and Their Limits: A Theoretical Reprise," in Katzenstein, *Culture,* 469.

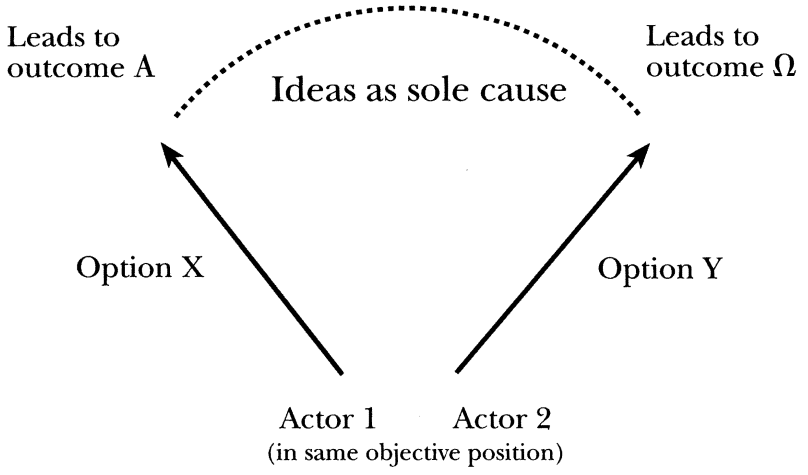

FIGURE 1. Crosscutting individual mobilization as a method to display how much ideas matter.

ten difficult. This approach highlights ideas' effects only where they separate most demonstrably from objective factors, without making claims about their less visible impact. Personally, I suspect the impact of ideas to be considerably more pervasive than this approach will ever suggest. But my goal here is to advance the most minimal, conservative, robust causal claims about ideas I can, based on a direct competition with nonideational explanations.

Leaders' Ideas and Entrepreneurial Coalition Building

Variation in individuals' ideas does not mean ideas matter in government strategies. Objective pressures in coalition building might ultimately impose one view on policy choices irrespective of individual views. Under certain conditions, however, they may not. Many scholars suggest that given fragmented demands on a given issue, several coalitions for various policies may be available. Entrepreneurial leadership may then determine which coalitions take shape.[47] Strongly crosscutting cleavages maximize this possibility. A leader selected and supported in office on one cleavage may enjoy considerable autonomy to mobilize one of many potential coalitions on other issues.

47. The literature on this point builds upon William Riker, "Implications from the Disequilibrium of Majority Rule for the Study of Institutions," *American Political Science Review* 74 (1980), 432–46; for a recent survey of this work, see Hannu Nurmi, *Voting Paradoxes and How to Deal with Them* (Berlin, 1999).

There is nothing inherently ideational about such entrepreneurial leadership. When connected to ideational variation at the individual level, however, this mechanism can tie variation in ideas alone to variation in strategies and outcomes. If coalition building continues to operate along existing organizational lines as crosscutting ideas emerge, leaders' views in the new debate will disconnect from their main coalitional support. The concomitant fragmentation of demands may allow leaders to assert their personal views in policy choices, assembling scattered support across majority and opposition after the fact. In this case, we can say that leaders' ideas cause one choice across the range of debate. Other leaders in the same coalition (and party, bureaucracy, economic position) who differ only in holding different ideas would pursue a different strategy were the final choice theirs. By elaborating the alternatives and their counterfactual consequences, we can thus specify variation in outcomes caused by variation in ideas alone.

This dynamic requires that the crosscutting debate not overwhelm "normal" coalition building. Nonetheless, it is not limited to issues of secondary importance. In modern democracies, voters may be less informed or concerned (or both) about certain debates (especially new developments) than are policy-makers and interest groups. This seems particularly common in the domain of foreign policy.[48] Electoral coalition building may continue along the "normal" issues resonant with voters, even though policy-makers perceive a new debate as extremely important. This disconnect opens the door to the ideas of entrepreneurial leaders.

French policy-making in early European institution building displays this process. Amid demands fragmented by crosscutting ideas, leaders followed their own ideas among several viable alternatives. In so doing, they chose not just an ambitious strategy for France, but a remarkable future for all of Europe.

The Institutionalization of Ideas

Crosscutting debate displays a wide battle of ideas over French strategies in early European institution building, but this battle narrowed to what looks like a fairly robust consensus by the late 1990s. On the surface, this evolution could seem to support standard structuralist views. Structuralists might admit that structural signals were somewhat blurred in the 1950s, but would argue that they have clarified over time. In the 1960s, even the antisupranational Charles de Gaulle recognized interests in a supranational Common Agricultural Policy. In the 1980s, even the Socialist François Mitterrand rallied to a deeply liberal "Single Market." In the 1990s, politically reluctant Gaullists and economically skeptical Socialists endorsed a supranational, monetarist project for a single currency. Whatever their early hesitations, French elites recognized the tightening imperatives to something like the EU.

48. Among many works, see Michael Margolis and Gary Mauser, eds., *Manipulating Public Opinion* (Belmont, Calif., 1989).

But we will see that structuralism cannot survive a closer encounter with history. Were it correct, we would expect that the earlier dissidents' adjustments traced to identifiable structural shifts (economic, geopolitical, or electoral); that French groups or parties displayed greater internal agreement before deciding on later institutional steps (the imperatives forward now being clear); and that dissidents pointed to exogenous pressures to justify their alignment. The actual development of the French consensus on Europe exhibits a very different logic. Broader elite agreement on European strategies arose in discrete steps that followed institutional initiatives by pro-community leaders, not clear structural shifts. Only after advocates of that agenda successfully asserted it in a new European deal did proponents of other views reluctantly adjust their strategies to a revised institutional status quo. In so doing, they consistently referred to pressures from the new institutions themselves. In a short period of time after each deal, they changed their strategies and rhetoric to present the institutional steps they had opposed as "in French interests." In other words, the French battle of ideas over Europe did not simply resolve itself. Certain political actors resolved it by building French policies into an institutional structure.

How exactly new institutional deals led their opponents to alter their strategies is a complex question. Institutionalists differ over the mechanisms by which institution building affects subsequent action. "Rationalist institutionalists"—the scholars closest to rationalist structuralism—employ terms of constraint and incentive. Institutional deals bring new access to information or resources, or create organizational "sunk costs"; rational actors factor these changes into their choices alongside structural constraints.[49] "Historical institutionalists" see the process as less completely objective. In addition to channeling actors' strategies through an organizational obstacle course, institutions enshrine principles or standards of legitimacy that actors come to accept. Actors are both objectively constrained and ideationally converted by institutions; "not just the *strategies* but the *goals* actors pursue are shaped by the institutional context."[50] "Sociological institutionalists" focus more directly on conversion. Actors accept institutional rules due to the rules' legitimate authority rather than to objective costs or benefits.[51]

My approach can be phrased as consistent with either constraint or conversion logics. I take this position because distinguishing between the two mechanisms empirically is very difficult where both may be operating, and because this distinction is ultimately unnecessary to my argument. Even where dissi-

49. Riker, "Implications"; Kenneth Shepsle, "Studying Institutions: Some Lessons from the Rational Choice Approach," *Journal of Theoretical Politics* 1 (1989), 131–47; Douglass North, *Institutions, Institutional Change, and Economic Performance* (New York, 1990).

50. Sven Steinmo, Kathy Thelen, and Frank Longstreth, "Introduction," in *Structuring Politics: Historical Institutionalism in Comparative Perspective*, ed. Steinmo, Thelen, and Longstreth (New York, 1992), 1–32. Original emphasis.

51. Paul DiMaggio and Walter Powell, eds., *The New Institutionalism in Organizational Analysis* (Chicago, 1991); Frank Dobbin, *Forging Industrial Policy* (New York, 1994); Katzenstein, *Culture*.

dents show clear reluctance in respecting new institutional rules (implying they feel constrained), we can rarely tell if they are objectively constrained by institutions or just converted to believing that they are.[52] For example, before Charles de Gaulle came to power in France in 1958, he saw geopolitical and economic reasons to oppose the recently negotiated European Economic Community (EEC) treaty. Once in power, however, he largely went along with it because of various institutional pressures (see below, and chapter 4). I cannot tell if the EEC's institutional pressures should rationally have outweighed de Gaulle's prior concerns, or if his adjustment meant he had changed his ideas slightly (de Gaulle himself could not have told the difference). I can say, however, that consequences of the EEC deal did outweigh his prior concerns. To what extent this overall pattern of action reflected rational constraint or irrational conversion is practically impossible to judge. Either way, institutional pressures caused his strategic adjustment. De Gaulle's changed behavior reflected the institutionalization of an ideological agenda he had opposed.

Over the longer scope of my story, I believe that the cumulative adjustments of dissidents to community strategies fit a conversion vocabulary much better than one of rational constraint. Current French president Jacques Chirac, for example, opposed every major step in European institution building at the time of its negotiation but now presents himself as a champion of the supranational EU. His views of desirable and legitimate European institutions seem to have changed fundamentally. Still, if the overall story stretches a vocabulary of fixed-preference rationality very uncomfortably, I do not insist that any step of this adjustment cannot be cast in those terms. Regardless of rationality, I show that certain ideas inform certain institutions, creating a new context that shapes the subsequent action of actors with other ideas.

Since historical institutionalists straddle the constraint-conversion divide as well, I adopt their vocabulary.[53] As introduced above, institutions consist of expectations and organizational arrangements. An institutional arrangement defines each actor's "responsibilities and relationship to other actors" and thereby "creates a distinct pattern of constraints and incentives" that presses actors to act within it.[54] Organizational constraints and incentives are straightforward; they make resources more easily available for certain strategies. How expectations constrain is more complicated. They affect actors' choices through

52. A search for crosscutting dissent cannot help here; it shows only that similarly placed actors react *differently* to given sources of pressure, and cannot isolate objective and ideational components of pressure that encourage the *same* course of action. Other ways around this problem do exist, notably in large-N and/or highly detailed studies, as displayed in the original sociological institutionalist arguments in organizational sociology. In applying similar concepts to politics, however, we often lose opportunities for either precise large-N comparisons or highly detailed personal-level data. See DiMaggio and Powell, *New Institutionalism.*

53. Pierson, "Path," 131.

54. Peter Hall, *Governing the Economy: The Politics of State Intervention in Britain and France* (Cambridge, 1986), 19; John Zysman, "How Institutions Create Historically Rooted Trajectories of Growth," *Industrial and Corporate Change* 3:1 (1994), 243–83.

the demands made on them by other actors. Once a new institutional arrangement is created, the parties make new demands on one another; actions (or failure to act) previously seen as legitimate become violations. (This is the whole point of creating formal institutions.) To the extent one actor needs support or cooperation from others to accomplish its own goals (whatever they may be), it must try to meet their new expectations. In other words, institutional deals are cognitive constructs that structure expectations, but they constrain subsequent action because those expectations are upheld by physical actors. Thus dissidents who opposed an institutional deal can find that their own separate ambitions depend on respecting it; their interlocutors will resist a return to the status quo ante. Dissidents will not necessarily be pressed to extend the deal—institutions prevent backward movement from the status quo more than they compel specific steps forward—but they will be unable to return fully to the alternative arrangement they preferred.[55]

We will see, for example, that Charles de Gaulle's strategies in Europe were considerably altered by the EEC deal he inherited in 1958.[56] A variety of viable bargaining solutions in European economic relations were on the table prior to the EEC negotiations in 1956–57. The deal de Gaulle's pro-community French predecessors were willing to strike was for gradual liberalization within supranational institutions. Though France's main partners (the Germans and Benelux) had actually preferred geographically broader, institutionally looser arrangements, the EEC thus set the terms they could demand from the unpredictable de Gaulle when he took power. De Gaulle, meanwhile, was focused on the separate goal of creating a French-led "third way" for Europe between the superpowers. He thought the EEC's economic provisions of little importance and detested its institutions, and wanted above all to establish a European mechanism for foreign policy cooperation. Yet since he needed German and Benelux cooperation to pursue his own agenda, he met their demands to maintain an EEC deal that he would never have struck (as he said himself). He did not become an EEC enthusiast; once his foreign policy plans failed, he tried to force changes in the EEC's institutions. But he soon backed down, and an only partly hobbled EEC ended up as his major institutional legacy. The demands de Gaulle faced, and the policy choices he made, were hugely reconfigured by his predecessors' institutional project. He did not simply extend his predecessors' path, but he could not move to the viable alternative path he had preferred in the 1950s. By the late 1960s, that alternative was history. The Gaullists defended the EEC as the foundation of French interests in Europe.

Institutional deals can thus narrow a battle of ideas in a government. Such deals will promote new expectations among its interlocutors. To the extent that

55. G. John Ikenberry, "An Institutional Approach to American Foreign Economic Policy," *International Organization* 42:1 (1988), 219–43.

56. This paragraph only partly summarizes a complex story. See the full presentation in chapter 4.

later policies require cooperation with these interlocutors, even dissident policy-makers will be pushed to choose strategies in line with these expectations. Dissidents' alignment on the new status quo will rarely imply wholesale endorsement of the ideas they contested; in accepting adjustments, they will not necessarily adopt their competitors' views on steps beyond this status quo. Further steps in a similar direction may require a new infusion of leadership by its ideational champions. If such opportunities arise, a series of similar institution-building steps can progressively narrow the range of strategies debated in the government. Viable historical options will be crowded out at each step, eventually reducing a battle of ideas to an uneasy consensus on policies. Some will endorse the consensus enthusiastically because they share the ideas of the initial agenda; others will endorse it reluctantly because they see it as imposed by institutional pressures. But they will agree, ultimately, on their "interests." It is this process that I call the *institutional construction of interests.*

This argument is falsifiable. Failing a crosscutting battle of ideas, the argument does not apply. If a policy choice involving significant institutional change cannot be shown to constrain subsequent choices in significant ways, the argument is wrong. The less debates are narrowed by institution-building episodes, the less causal power the argument can claim. This approach is causal but nondeterministic; it explains but does not strongly predict. Institutionalized expectations are not concrete constraints like physical obstacles. They orient actors toward certain courses of action but do not physically prevent a resolute actor from ignoring this orientation. If individuals who opposed recently created institutional arrangements take power, they will feel pressure to align on them, but nothing existentially bars them from rejecting them. Thus strong new ideas and leadership—agency, in general terms—can upset this causal mechanism. Structural unpredictability can do the same. Major environmental shifts may loosen or render indeterminate the dicta of existing institutions. My approach can show that the institutional construction of interests did happen in a given case of decision making over time, and can suggest how it may happen in others, but does not claim that it will happen as an uninterrupted process.

Which Ideas Win?

Ideas may inform strategies of institution building, and their institutional consequences may shape the context for subsequent action. But why do certain ideas and not others engage the institutionalization process? Particularly in a situation of crosscutting debates, where leadership may shift back and forth between advocates of competing ideas, what favors one agenda in the long term? In France, even if "confederal" or "traditional" leaders were pressured by community institutions, why did they not strike their own deals to reconfigure the institutional status quo, or at least to prevent the steady victory of the community model?

Given an even battle of ideas, certain ideas become institutionalized because

they inherently lend themselves to institutionalization better than competitors, or because they "fit" better with elements of the environment.[57] Some ideas crowd out competing ideas more actively than others. This is particularly true of ideas that center on formal institutional change. French champions of the community model consistently interpreted material problems as pointing to major European institution-building projects. Confederal or traditional leaders, in contrast, generally saw their material interests within the institutional status quo or in marginal modifications of it. Whenever the former were in power, they pursued institution building and left a further set of changed constraints to their successors. When the latter were in power, they defended the status quo or sought to decrease the constraints on subsequent French actions. Even though advocates of these perspectives alternated fairly regularly in leadership, French policies were increasingly embedded in the more institutionally activist community agenda. This was not necessarily because pro-community elites had more foresight. They simply connected their immediate problems to serious institutional change. Nor were confederal and traditional leaders passive in intra-European relations; we will see that Europe is littered with the husks of their weak projects (the Council of Europe, the OECD, the Western European Union, the Franco-German Treaty, the Luxembourg Compromise). Their strategies were perfectly viable while they held power but did little to crowd out alternatives thereafter. In a world where institutions matter, ceteris paribus, ideas that change them matter more.

Certain ideas are also favored in institutionalization if they connect to established elements of their environment. I do not see this "fit" in terms of functional results or instrumental payoffs to actors; such a view downgrades ideas to noncausal intermediaries between a set of objective conditions and actors' decisions.[58] For new ideas to retain their causal autonomy, their "fit" must be to other ideas, norms, or agendas that support the new ideas without directly requiring them.[59] Research on institutionalization suggests two abstract mechanisms along these lines. A central notion of sociological institutionalism is that new ideas survive and spread if they can connect in some way to already established norms.[60] In a more contingent vein, historical institutionalists add that new policies may survive when they have consequences that appeal to their ear-

57. Competing ideas do not necessarily emerge in an even battle, of course, where their representatives have roughly equal resources. Where they do not, the relative resources of each idea's initial proponents can decide the outcome.

58. Some ideational theorists defend a "bracketing" method that emphasizes functional or instrumental fit at one point in time or in one arena, and then focuses on ideas' independent effects elsewhere in time and/or space. Such methods do not support causal ideational arguments; they either make ideas into a time lag between material incentives and behavior or simply suggest that actors prioritize objective goals and constraints in one arena rather than the other. See Sheri Berman, "Ideas and Culture in Political Analysis," presented at conference of Council of European Studies, Feb. 26–29, 1998; Judith Goldstein, *Ideas, Interests, and American Trade Policy* (Ithaca, 1993), 248–50.

59. Arguing that new ideas succeed because they fit well with directly related ideas or conditions means the new ideas lose at least some of their causal role to earlier ideas.

60. DiMaggio and Powell, *New Institutionalism.*

lier critics in unforeseen ways.[61] Both mechanisms, I argue, are important in explaining the long-term victory of the community model.

Two connections between community institution-building projects and broad norms have attracted the attention of EU scholars. The first concerns the deep legitimacy of law in modern Europe. Some of the best work in EU studies shows that law has helped defend (and even expand) the scope of Europe's institutional deals.[62] Community ideas, in contrast to confederal or traditional plans, called for elaborate institutions based in detailed legal treaties. They also included the early creation of "European" law itself, in the European Court of Justice. Law per se in no way implied supranational institutions, but basing such institutions in law protected them from their critics. Even in the early, openly contested years of integration, calls for simply ignoring legal treaty deals were extremely rare. (In some cases governments ignored aspects of treaties but underlined legal norms in doing so quietly or in offering legal justifications). We will see that the notion that a treaty "can't be torn up" arose explicitly in internal French discussions after the EEC, the Single European Act, and the Maastricht Treaty. Leaders' reluctance to openly flaunt legal agreements extends to populations as well; Europe's citizens have accepted otherwise unimaginable policies in the name of the treaty engagements leading to EMU.

The second connection between community projects and broader norms is more recent. Since the late 1970s, argues Kathleen McNamara, European monetary integration has been greatly facilitated by the growing legitimacy of monetarist economic doctrine.[63] Monetarism itself does not necessarily point to a European Central Bank (ECB) and single currency; experts agree that their economic logic is ambiguous at best. As a political program, however, this project drew considerable support from the simplified version of monetarist thought that is accessible in public debates. The basic monetarist notions of central bank independence and a priority on inflation fighting are easily connected to the ECB plan. The reasons why monetarism might better support less centralized traditional or confederal options are more complex.[64] Overall, champions of monetary union found it particularly easy to present the euro as the logical (and even necessary) consequence of the move to monetarist policies.[65]

Unforeseen consequences have also aided the institutionalization of community ideas. Once a policy decision has been made, its critics may find that it creates unforeseen opportunities to pursue their own (distinct) agendas. One illustration extends the de Gaulle example above. If the expectations engen-

61. Pierson, "Path"; Hall and Taylor, "Political."

62. Joseph Weiler, "The Transformation of Europe," *Yale Law Journal* 100 (1991), 2403–83; Anne-Marie Burley and Walter Mattli, "Europe before the Court: A Political Theory of Legal Integration," *International Organization* 47 (1993), 41–76; Karen Alter, "European Governments and the European Court of Justice," *International Organization* 52:1 (1997), 121–47.

63. McNamara, *Currency*.

64. They concern differences in national labor markets and responses to economic shocks. See chapter 7.

65. On the competitive advantages of ideational simplicity, see Campbell, "Institutional," 387.

dered by the EEC were a major pressure behind de Gaulle's rally to it, he was also attracted to the opportunity the EEC presented for excluding the pro-American British from French-led Europe (since the British had already decided not to participate). Most of the EEC's French negotiators had not intended this result. Similarly, when President François Mitterrand began his push to the Single European Act (SEA) in 1984, he was not seeking the major deregulatory initiative that the SEA produced. At the outset, many of Mitterrand's conservative opponents—who had recently recast themselves as champions of deregulation—opposed his pursuit of European reforms. When deregulation became the SEA's main focus, however, conservatives found it difficult to disavow. The unintended consequences of a push for European institutional reform helped rally its opponents to it.

For these reasons, among the three views of French interests that were politically and technically viable at any given point, the community model had a long-term advantage. In an ongoing policy debate where control cycled among advocates of different views, community ideas assumed an increasingly dominant position. They aggressively crowded out their competitors, drew protection from deeply ingrained norms, and fortuitously benefited from unintended consequences that connected them to other (and previously antagonistic) agendas. These were diffuse advantages; I do not suggest that they are strong, predictive mechanisms. To the contrary, my central claim is that confederal and traditional strategies were real, viable alternatives to the community path in postwar Europe. The French elites who favored these alternatives were not being irrational, pursuing impossible courses of action. The victory of the community model was not overdetermined; it is a deeply contingent story. But these mechanisms suggest important reasons why contingency was resolved as it was.

This section has offered a way to understand theoretically and show methodologically how groups' interests can be defined, and political arenas structured, through the institutionalization of ideas. It boils down to two main claims. First, under conditions of crosscutting ideas, we can solve the difficult "how much" problem in ideational causality. Furthermore, as I discuss below and in the concluding chapter, such conditions should not be terribly rare; and even if they are, this demonstration of one major, distinct causal impact of ideas has important implications for the credibility of ideational argument more broadly. Second, given the presence of competing ideas, one idea may crowd out others through institutional consequences of constraint or conversion. This process—the institutional construction of interests—offers a novel perspective on broad issues of the construction of interests in politics. As the concluding chapter elaborates, the existing literature on this subject tends to privilege structure over agency, consensus over conflict, and persuasion over political maneuvering. While preserving that literature's central insight—that the intersubjective construction of political relations defines actors' interests—I bring agency, conflict, and politics back in.

THE ARGUMENT

I use this theoretical approach to explain the definition of French government interests in European integration from 1947 to 1997 and the European consequences of French strategies. It is tested against structuralist and institutionalist alternatives. The former category includes a realist view of institution building as driven by objective geopolitical balancing, a liberal view of institution building as driven by the objective requirements of economic interest-groups and/or electoral demands, and a functionalist view (prominent in the historical literature) of institution building as driven by technocratic adaptation to the needs of economic modernization.[66] The latter category is composed of "pure" institutionalist approaches, most notably neofunctionalist claims of "spillover," where institutions themselves are seen as carrying integration forward. To make for the strongest possible competitor, I allow all these arguments to overlap.

The French battle of ideas over Europe began to emerge, I argue, in the late 1940s. Prior to 1947, French elites across the political spectrum shared a fairly stable consensus on a traditional model of European policies, aimed at dismembering vanquished Germany, building military and economic alliances to balance German power, and defending French sovereignty. The outbreak of the Cold War partly blocked this strategy, however, since it led the United States to push for the rapid revival of a West German state as a bulwark and ally against the Soviets. It also brought the Marshall Plan, which offered the French badly needed economic aid on condition that they coordinate their policies with their neighbors (including Germany). As a result, French elites and policies began to separate into three distinct tracks from 1947 to 1950. Some leaders held to the traditional model, seeking to obtain whatever direct supports for French power could be salvaged. Others turned to a confederal model, wherein Germany would be slowly admitted into a loose continental framework of cooperation presided over by France and Britain. A small minority began to believe that direct Franco-German integration within a supranational community was the best path to future peace and prosperity.

Though these strategies focused most immediately on the "German problem," their key difference was not anti- or pro-Germanism. Some traditionalists soon proved quite willing to deal bilaterally with the new Germany. Some individuals arrived at confederal or community strategies out of visceral fear of Germany unfettered. Instead, the fundamental distinctions concerned the appropriate "constitutive rules" linking the French nation-state itself and its European environment. The three strategies paralleled an emerging intellectual debate between realists, liberals, and functionalists.[67] The traditional model located the enduring structures of power and legitimacy solely in the nation-

66. The main statement of the latter is Milward, *European*.
67. My thanks to Chris Ansell for this point.

state. Arrangements other than time-honored intergovernmental ties would place unpredictable and illegitimate constraints on French sovereignty. Confederalists also saw nation-states as lasting realities but tempered their absoluteness with explicitly liberal, Anglophilic pragmatism. New international structures were desirable to support practical (mostly economic) cooperation, as long as Franco-British leadership balanced the illiberal Germans and sacrifices of national control were minimized. Community advocates drew a more radical conclusion from the world wars and rising economic interdependence. Legitimacy followed welfare functions; to maximize Europeans' long-term security and prosperity, their fractious nation-states had to be modified. Not only would supranational institutions control the Germans, they would allow all Europeans to pursue welfare-enhancing relationships free from ossified national structures.

Crucially, these different views of France's relationship with Europe had no direct connection to the right–left cleavage that dominated French domestic politics. Arguments soon arose to connect each model to domestic aspirations in all parts of the left–right spectrum (except the Communists). For the left, a supranational community could help undo conservative legacies at the national level—or it could mean capitulation to the German *Konzerns*. For the right, supranational integration could open France to broader markets—or it could emasculate national strength and identity. Since right, left, and center had their realists, pragmatists, idealists, Anglophiles, and even Germanophiles, domestic allies found themselves gravitating to different views of European strategies. With Foreign Minister Robert Schuman's proposal of the first community project in 1950 (for a European Coal and Steel Community), these positions crystallized into an explicit and bitter debate. Across right and left, some elites sought to mobilize domestic coalitions in favor of community projects; others in the same parties and bureaucracies rallied support for confederal or traditional alternatives.

These ideas, not geopolitical constraints, interest group and electoral pressures, or bureaucratic agendas, set the main patterns of French support for and opposition to particular European strategies for the next fifty years. French debates over Europe have often concerned geopolitical balancing, but this level of analysis does not account well for domestic-level conflicts. Economic interest groups have played an important role as well, but their role has never been a driving one, and the politicians and bureaucrats most closely tied to business or agriculture have themselves disagreed over European strategies. French politicians have certainly been concerned with their electoral fortunes, but pursuing European institution building has never garnered significant electoral payoffs. The party that championed each European institutional deal suffered a major electoral defeat shortly thereafter.[68] French bureaucrats, with

68. Community-style European policies did not cause these defeats—elections played out on

important crosscutting exceptions, have mostly been skeptical of community strategies at every step.

Instead, the pattern of support for various European strategies has consistently reflected three ideational groups that cut across these lines of organization. Politicians of right, left, and center have shared the attitudes of their domestic opponents as much as those of their putative allies.[69] Similarly fierce debates have divided bureaucratic peers, despite a partial dampening of the pattern from the powerfully homogenizing socialization of the French administration.[70] Even interest groups have often differed internally over how their material concerns related to European-level choices. Individual views of Europe have also been remarkably consistent across widely different issue areas. From coal and steel, to agriculture, to defense, to pharmaceuticals, to foreign trade, to monetary policy, advocates of traditional, confederal, and community options have held to the institutional strategies dictated by their ideational model.

As a result, clear majority support for a specific European policy has never emerged spontaneously in postwar France. Leaders have been elected and maintained in office for reasons distinct from their views on Europe. This fact, along with the persistent incoherence of domestic demands, has given leaders considerable autonomy to pursue their own ideas on European strategies. The treaty deals we see with hindsight as the major steps toward today's EU all resulted when pro-community leaders achieved power on other issues and then stepped beyond the demands of their allies and supporters with European initiatives. Only after making major strategic choices did they assemble scattered domestic support. To do so, they generally used party and coalitional pressures, side payments, and issue linkages with little direct relation to European questions. The pattern of electoral defeats following these deals reflects the imposition of these initiatives on a normal pattern of left–right alternance in France. Negotiating complex European deals took time and had little (if any) electoral payoff. Pro-community leaders repeatedly found themselves hurrying to strike their deals just before their next electoral deadline.[71]

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other issues—but they clearly did not deliver significant electoral support to Robert Schuman's Mouvement Républicain Populaire (MRP) in 1951, after the ECSC negotiations (1951); Guy Mollet's Socialist party (SFIO) in 1958, after the EEC ratification (1957); Valéry Giscard d'Estaing's Union pour la Démocratie Française (UDF) in 1981, after the EMS deal (1979); François Mitterrand's Socialists (PS) in 1986, after the SEA (1986); or again Mitterrand's Socialists in 1993, after the Maastricht ratification (1992).

69. The only exceptions are the Communists (a party founded above all on pro-Soviet views that precluded major Western European cooperation) and to some extent the Gaullists (the only other major party founded above all on a certain—traditional—view of the international environment).

70. While mainstream politicians have generally divided in even thirds over Europe, intensely socialized bureaucrats have generally displayed a broader confederalist middle, with important traditional and pro-community minorities.

71. The SEA was the most extreme case, signed weeks before Mitterrand's Socialists were swept

If only ideas account for the pattern of spontaneous French support for each European step, only the institutional consequences of those ideas account for the gradual construction of an uneasy consensus around these contested policies. The gradual rally of interest groups, bureaucrats, and confederal or traditional politicians to accept community-style European institutions does not reflect an inevitable recognition of the increasing imperatives of European interdependence. If it did, these actors would not have actively opposed each institutional step when it occurred. Only the actual taking of that step by their assertive community-minded compatriots pressed them to agree to a more institutionally developed Europe. In the aftermath of each step, earlier critics who openly declared that they would not have proposed that step decided to accept it. Jacques Chirac nicely illustrated this process after the Maastricht Treaty's signature (which he had opposed), saying in June 1992 that he would accept the treaty "without enthusiasm, but without soul-searching." He would not have chosen this Europe, but he accepted the pursuit of French interests within it. By the mid-1990s, similar shifts across French politics had produced what extremists on right and left denounced as *la pensée unique* (uniform thinking). For the first time in the postwar period, a relative consensus on Europe existed. A quasi-federal Europe, with a single currency and market and a powerful supranational administration and court, was "in French interests."

Thus only ideas and their institutionalization explain the French choice and maintenance of a community strategy. Only with this French strategy, in turn, can we explain major institutional and substantive outcomes at the European level. The French could not choose European outcomes alone; their community strategy was not sufficient to cause today's EU by itself. But the French could veto European outcomes, making their strategic choice a necessary factor selecting between widely different Europes. The institutional consequences of French choices were straightforward. If France had refused supranational institutions, no such institutions would have resulted. But the more important consequences of French choices lay in how substantive, material European outcomes connected to the community model. I claim that French community strategies were necessary to create the three most prominent substantive features of today's EU: the Common Agricultural Policy (CAP), the Single Market, and EMU.

In agriculture, constant European discussions in the first postwar decade remained blocked through the mid-1950s. In 1955, French agricultural organizations favored protectionism and opposed supranational European institutions. A supple network of traditional bilateral export contracts, they hoped,

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from office in March 1986. The EMS deal in early 1979 was the furthest from major elections (1981), but the same issue arose: President Giscard was anxious to sign the deal before the first salvos in the presidential campaign, since he knew it would divide his coalition. See chapter 5.

would join government stockpiling to absorb surplus. Similar preferences among almost all other European agricultural groups created a mercantilistic impasse. Continued failures at negotiation gave little reason to expect new European solutions in the 1950s. Only when community-minded leaders (in France and elsewhere) began to push for the broader EEC initiative, actively lobbying agricultural groups for support (rather than being lobbied by them), did the prospect of an agricultural deal appear. Thus the objective necessity of the CAP, as seen by structuralist theorists and historians, was not obvious to most farmers at the time. It resulted only when their conflicts were channeled into a community format. Furthermore, had pro-community leaders not dragged French farmers toward a CAP in the late 1950s, the historical window for such an outcome in international bargaining would soon have closed. A strengthening French economy would have decreased French leverage to obtain the "little Europe" trade deal in which the CAP was possible, and changes in German leadership in the early 1960s would have blocked any major multilateral agricultural agreement.

In liberalization, the main substantive impact of the community model came later. The EEC deal of 1957, which was driven much more by community advocates than by liberalizers (though these groups overlapped), clearly hastened trade liberalization in the early 1960s. But Europe was going to liberalize to some extent in the 1960s in any case. Much less overdetermined was the subsequent leap to profound liberalization in a single market. The Single Market 1992 project emerged thanks to community-minded leaders who decided to build Europe around deregulation, not liberalizers who thought deregulation had to take place at the European level. Without the community advocates' push for EEC reform, major new commitments to multilateral liberalization would never even have been made, let alone implemented.

Monetary union, lastly, was a pure product of the community model. It arrived on the European agenda in 1988 as a result of the combined pressures of previous community deals (EMS monetary coordination and the Single Market's capital liberalization). But EMU did not simply reflect spillover from earlier engagements. In France, only community advocates thought near-term monetary union the right response to these pressures. Others—including most Finance officials—called for much more limited monetary coordination. In Germany, only champions of community policies found monetary union remotely acceptable. Only the pressures of previous community choices plus a new impulse from pro-community leaders led to the euro.

Overall, without the community ideas of French leaders, today's Europe would look much like the rest of modern international politics. Weak intergovernmental institutions or bilateral ties, with messily overlapping memberships and functions, would preside over limited economic liberalization and some cooperation in other areas. There would be no special literature on "European integration." To the extent that scholars addressed intra-European re-

lations, conventional accounts would claim that this unexceptional Europe was the necessary result of structural imperatives.

THEORIZING IN A (POTENTIALLY) SOCIALLY CONSTRUCTED WORLD

This book's ambitions extend beyond a fundamental revision of the EU histories offered by Haas, Milward, or Moravcsik.[72] They reach past the several lessons for ideational arguments elaborated in the concluding chapter. In light of this argument, I submit, we must revise the prevailing standards for social science theorizing.

Those standards are borrowed from the "hard" sciences. They mainly reflect positivism, the nineteenth-century epistemology that portrayed the discovery of objective general laws of everything as the clear and feasible goal of scholarly work. In principle, most social scientists espouse something like the more nuanced epistemology of "sophisticated methodological falsificationism" developed by Imre Lakatos. This still prioritizes general theorizing above all, but surrounds the search for laws in intelligent caveats that recognize our ultimate inability to access objective Truth. Although real proof or falsification of any theory is thus impossible, Lakatos argues that science still advances through pragmatic falsification (reasonable rejection rather than airtight disproof) and increasingly general theories. "Progressive" scholarship occurs either when an existing theory is extended to account for new empirical facts, or when a new, broader theory accounts for the empirically corroborated aspects of previous theories and new facts as well. Advancing knowledge requires ever more general theory: "There is no falsification before the emergence of a better theory."[73]

Though Lakatos seemed to doubt the viability of such cumulative theorizing in historical explanations of human action, his writings largely define progress in the "soft" sciences today.[74] In codifying the current standards of political science, Gary King, Robert Keohane, and Sidney Verba emphasize generality as the single most important measure of progress: "The question is less whether, in some general sense, a theory is false or not . . . than *how much of the world the theory can help us explain.*"[75] In practice, this often seems close to as-

72. Haas, *Uniting;* Milward, *European;* Moravcsik, *Choice.*

73. Imre Lakatos, "Falsification and the Methodology of Scientific Research Programmes," in *Criticism and the Growth of Knowledge,* ed. Lakatos and Alan Musgrave (New York, 1970), 91–196. This basic notion is sometimes known as the "first law of wing-walking" ("never let go of something until you've got hold of something else"). Thanks to Kenneth Shepsle and Morris Fiorina for relating the history of this unattributable phrase (which may have first appeared in political science at Caltech in the 1970s).

74. Imre Lakatos, "History of Science and Its Rational Reconstructions," *Boston Studies in the Philosophy of Science* 8 (1971), 91–196; for a survey that displays how broadly Lakatos is referenced (but often misapplied) in the social sciences, see Colin Elman and Miriam Fendius Elman, "How Not to Be Lakatos Intolerant: Appraising Progress in IR Research," *International Studies Quarterly* 46 (2002), 231–62.

75. Gary King, Robert Keohane, and Sidney Verba, *Designing Social Inquiry* (Princeton, 1994), 101. Original emphasis.

signing value to generality irrespective of empirical support. Embedding an argument in a highly general theory makes it valuable, even if both the particular historical argument and broader applications of the theory suffer from substantial empirical problems. Moravcsik's highly regarded application of economic-structuralist theory to EU history is a good example. On my reading, the empirical evidence he offers is substantially incomplete at practically every step (and sometimes simply wrong). Nor am I aware of serious empirical studies showing the power of his kind of theory across any other major set of outcomes.[76] But by embedding a poorly supported argument in a largely untested general theory, he has dominated EU studies. Behind his success lies a Lakatosian defense: whatever empirical objections may arise, only a better general theory represents progress over his own.[77]

Crucially, this defense requires the assumption that the theories in question address highly general phenomena (since general theories are little use in explaining unrelated things). For the physical and mathematical sciences Lakatos studied, this is probably a good assumption. For the social sciences, however, this assumption hinges on rejecting even the possibility that ideas and social construction cause major variation in human behavior.

As long as most political scientists dismiss ideas as secondary, residual, derivative aspects of politics, they might reasonably assume to be studying an objectively general world. In such a world, most political outcomes presumably reflect regular, rational reactions of similar human beings to varying structural or institutional conditions. Yet if ideas can have major causal effects—if political outcomes can vary widely with the nonnecessary, historically situated inventions of certain human beings—the value of general theories becomes an open question. Much variation in politics may reflect particular social constructions rather than general conditions. Even very widespread phenomena may reflect the proliferation of particular ideas or norms rather than regular reactions to objective factors. There might be some general things to say about political processes in such a world—illustrating common mechanisms of social construction—but the content of preferences, patterns of behavior, and institutions might not follow from any general framework. In a deeply socially constructed world, then, the theoretical accounts that explain the most potential variation in important outcomes might not be very general at all. They would explain how certain ideas or norms rather than others came to dominate a major political arena.[78]

76. To the contrary, Moravcsik emphasizes correctly (if ironically) that his book stands out as an unusually complete, historically grounded test of theoretical hypotheses.

77. Although Moravcsik has been a consistent advocate of multicausal rather than monocausal approaches (and is critical of Lakatosian thinking for encouraging overly "universal," monocausal theorizing), he has also defended his work above all for its ability to set EU history within a more general theoretical framework. See Moravcsik, *Choice,* 18–24; and idem, "Liberal International Relations Theory: A Scientific Assessment," in *Progress in International Relations Theory,* ed. Colin Elman and Miriam Fendius Elman (Cambridge, forthcoming).

78. Michael Nicholson hints at a similar point in "Realism and Utopianism Revisited," *Review of International Studies* 24 (December 1998), 65–82.

This book speaks directly to the juncture between these alternative worlds. Its main point is to use a fortuitously clear pattern of crosscutting ideas in a self-evidently important case to convince skeptics that ideas can cause major variation in politics—and to thereby undercut the prevailing assumption that the political world is a general one. I do not claim to have shown that we live in a deeply socially constructed world in general (though I suspect we do). But by showing with new rigor that the EU is deeply socially constructed, I cut away the remaining room for skeptics to deny the plausibility (or demonstrability) of social construction in general. In other words, I use an important example to establish that we live in a *potentially* deeply socially constructed world.

How should we judge theoretical contributions in such a world? If the generality of politics is an open question, generality cannot be the standard a priori for theoretical contributions. Embedding arguments about particular cases in general propositions about human action may be a complete waste of time. Only documented generality deserves respect: where nonideational arguments show, in direct competition with ideational alternatives, that there are reasons to attribute causality to objective conditions across a specific range of outcomes in a specific range of cases. In all cases such documentation will require qualitative process-tracing evidence in addition to correlation of explanatory logics and outcomes, since an objective theory that correlates well to outcomes may be accessing particular widespread ideas, being "right for the wrong reasons."[79] On the other hand, documented particularity deserves the same respect: where ideational arguments show, in direct competition with nonideational alternatives, that social constructions generate "local" dynamics in important cases. The ultimate criterion of theoretical value is the ability to explain the widest range of potential variation in important outcomes, whether that variation occurs for general or particular reasons.

These revised standards recast the theoretical terrain for the debate between my account of EU history and its competitors, above all Moravcsik's influential book. Relying on existing standards, readers might see this as a debate between an ad hoc, inductive narrative and a deductive, carefully specified general theory. Whatever my empirical strength, Moravcsik would still hold the high theoretical ground. If undocumented generality is not a virtue, however, it is irrelevant that his account drags a general theory behind it. We are then left with two competing claims about concrete patterns of mobilization and interpretive evidence. Moravcsik expects support for EU institution building to trace to economic positioning and looks for interpretive evidence that actors perceived clear economic interests as paramount. I expect support for these deals to cut across economic and other objective positions, and offer interpretive evidence that actors followed one of three ideational models. Despite ap-

79. That is, to the extent that liberal democracies in the twentieth century create similar kinds of international organizations through similar processes, this may be true because they share a socially constructed context, not because of some generalization about objective conditions.

pearances, neither account is more concrete or parsimonious than the other. Few real people would agree that a story about narrow *homo economicus* is more "concrete" than one where actors consider a wider range of issues. Furthermore, only the familiarity of the notion of "economic interest" in contemporary social science allows it to seem parsimonious. Were Moravcsik to elaborate the assumptions behind such motivations as I do for my ideational models, his account would be no simpler than mine.

Some general theorists solve these problems by renouncing the goal of causal explanation, justifying general models purely on their ability to correlate to outcomes. This is not unreasonable for some practical purposes (especially, perhaps, in the narrow world of economics), but it effectively quits the field that interests me. Like most political scientists, I want to know why certain things happen and others do not. Documented claims about the impact of either general or particular causes help us take the first step to establishing such knowledge: to assess the objective generality or socially constructed particularity of the phenomena we study.

STRUCTURE OF THE BOOK, AND A NOTE ON METHODS

The overall structure of my argument requires detailed analysis of a long period of history. I do not claim that any single critical juncture locked France into community-style policies, or Europe into community outcomes. Rather than a specific historical divergence between possible futures, I see a gradual narrowing of possibilities over time (see figure 2). Each time community advocates gained power in France, they took another institution-building step. The first of these steps—to the European Coal and Steel Community in 1950–52—introduced the community model as a serious option but did little to bind France within it. This crystallized the new battle of ideas, which reached its greatest breadth and violence in the early 1950s. The second step, to the European Economic Community in 1957, was the first that significantly narrowed the range of subsequent French and European options. The community model was established as the basic institutional framework for European economic relations. It remained to be seen, however, how far that framework would be developed. The European Monetary System in 1979, the Single European Act in 1986, and the Maastricht Treaty in 1991 each extended it, further ruling out French economic policy options. By 1997, French policy-making was so deeply and strongly embedded in the institutional products of the community model that even most longtime Euro-skeptics agreed on the "necessary" course of French strategies.

To tell this story, and to fully address alternative explanations, I present detailed studies of French policy-making in and after each of these five major steps (ECSC, EEC, EMS, SEA, and Maastricht), plus the community model's two major setbacks: the failure of the European Defense Community in 1950–54 and the EEC crisis of 1965–66. The empirical chapters divide into two ma-

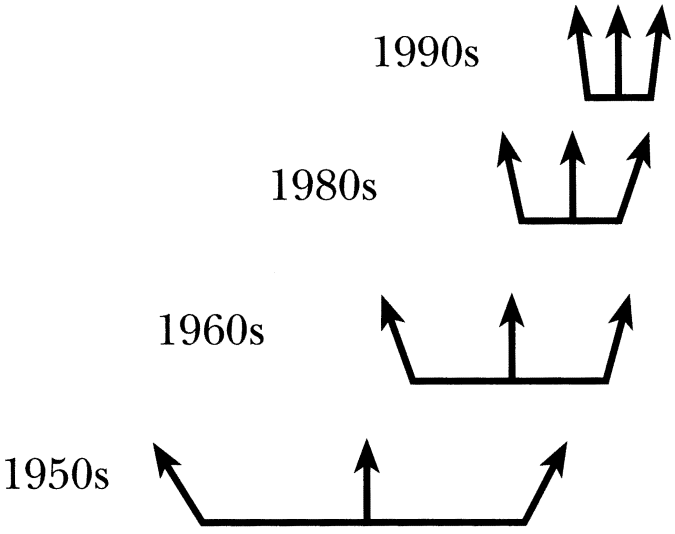

FIGURE 2. The narrowing pattern of French debates over Europe, 1950s to 1990s.

jor sections. Part I, "Choosing the Community Model," covers the period from 1947, when the battle of ideas began to emerge, to 1967, when the consolidation of the EEC marked the first step in its resolution. Part II, "From Community to Union," covers the further development of the community model.

A final note on evidence, sources, and case selection is important. When I say I rely on interpretive evidence, this does not mean I assess actors' motivations mainly through a textual analysis of rhetoric, designating actors as "pro-community" given a certain number or intensity of statements in favor of supranationalism. Instead I have sought evidence of what actors wanted to do at any given moment. I see actors as pro-community if they proposed concrete community-style projects and dedicated political resources to advancing them. I often point to their rhetoric as they did so—noting how they explained their choices—but my argument is founded on commitments to concrete actions. With respect to sources, I am a pragmatist. I draw first and foremost on my own archival research[80] and interviews with over sixty key decision makers (including many ministers, two prime ministers, multiple advisors to every Fifth Republic president, and dozens of senior officials). Where sources conflict, I have done my best to cross-check them extensively. Where secondary sources support my reading of the facts, I feel free to cite the parallel conclusions of other

80. French Foreign Ministry archives (MAE); French National Archives (Archives Nationales), Fontainebleau; EU archives, European University Institute, Florence.

intelligent observers as a weak but reasonable kind of additional evidence. Where I disagree with them, I try to point out what I see as better sources.

Lastly, my study easily meets prevailing standards of case selection, even though I am not testing a general theory (which is when "case" selection is a pressing concern). Within my larger story, I examine and explain a large number of "mini-cases" of successful or failed European projects, not just community victories. I address several failed community initiatives (European Defense Community; European Agriculture Community; European Health Community; the plans leading to the Luxembourg Compromise) and many confederal or traditional plans that succeeded in the short term (Organization for European Economic Cooperation; Council of Europe; Western European Union; various bilateral deals). The same theoretical logic explains all successes and failures: community, confederal, or traditional projects succeeded when their advocates obtained power on other cleavages for long enough to negotiate and ratify European deals, or failed when unrelated coalitional realignments deprived their advocates of policy control. On a broader level, it is common to focus on an "easy case" for competing explanations. This case obviously qualifies. Here we have the story of how the state that invented the state, famous for its jealous defense of autonomy, with a deep bias toward dirigiste economic policies, delegated unprecedented amounts of sovereignty to a neoliberal and monetarist framework. If states surrender sovereignty only given clear domestic economic interests (a liberal view) or clear geopolitical imperatives (a realist view), liberals or realists would certainly expect very clear pressures in this extreme case. Similarly, if institutionalist approaches fare poorly in the most heavily institutionalized international arena (and the region that birthed their entire literature), they are in trouble. No account can shrug aside my claim: we have this remarkable European Union due, above all, to a certain idea of Europe.

PART I
Choosing the Community Model

ONE

The Parting of the Ways

The road toward Europe reached a parting of the ways in 1950.

ROBERT SCHUMAN, *Pour l'Europe*

Today's European Union traces its institutional origins to French foreign minister Robert Schuman's proposal of a European Coal and Steel Community in May 1950. The Schuman Plan was the first postwar initiative to envision a Europe centered on a Franco-German partnership and also led to the first "supranational" institutions with powers independent from their participating governments.

This chapter asks four questions about these roots of postwar European institution building. First, what alternatives to the Coal and Steel Community did French leaders perceive in 1950? Second, to what variation in European outcomes did alternative French choices strategies lead? Third and fourth, why did the French government select the strategy leading to the ECSC, and why did a majority ratify it?

Existing accounts give little direct attention to the first two questions but aggressive answers to the latter two. The leading scholars of the period explain the French pursuit and ratification of the ECSC with three objective factors, usually in combination. The French chose their strategy as the best response to the geopolitical imperatives, economic policy challenges, and domestic interest pressures they faced.[1] The outbreak of the Cold War, the revival of West Germany, and growing economic interdependence set tight limits on French choices. So tight were these limits, these scholars imply, that there were no real historical alternatives. This French policy, like those of the governments with which it interacted to create the ECSC, derived from the underlying structures of postwar European politics.

I make a different argument. Far from pushing French elites coherently to a new strategy, the changing postwar environment opened a new debate over French interests in international cooperation. French policies immediately after the war had reflected a "traditional" model, reconstructing Europe around a dismembered Germany. The outbreak of the Cold War in 1946–47 partly

1. William Hitchcock, *France Restored: Cold War Diplomacy and the Quest for Leadership in Europe, 1944–1954* (Chapel Hill, N.C., 1998); Alan Milward, *The Reconstruction of Western Europe, 1945–1951* (Berkeley, 1984); Frances Lynch, *France and the International Economy: From Vichy to the Treaties of Rome* (London, 1997); Paul Pitman, "France's European Choices," Ph.D. diss., Columbia University, 1998; John Gillingham, *Coal, Steel, and the Rebirth of Europe, 1945–1955* (Cambridge, 1991).

blocked this strategy, forcing the French to accept the revival of a West German state and economy. Even so, many French elites continued to defend traditional policies. Yet others increasingly tried to switch to different tracks. Advocates of a "confederal" model suggested that France and Britain supervise Germany in broad continental institutions. More radical were proponents of a "community" model, who saw "integration" of French and German policies in "supranational" institutions as the best guarantee for France's future.

These debates were new not just in their substance but in their political pattern as well. Advocacy of these options did not connect to the preexisting lines in French politics. By 1950, disagreements over European strategies had come to crosscut French political life to a remarkable degree. As a result, French interest aggregation was stymied in European policies. Political coalitions before and after 1950 arose on other issues, with little relationship to the new cleavage. Foreign Minister Schuman, facing fragmented demands, gained the autonomy to advance his own views. Only well after engaging France in a "community" strategy did he mobilize support for it. Even then this support relied largely on unrelated coalitional pressures, side payments, and presentation of the ECSC as a fait accompli—all factors the foreign minister could have used to sustain *whichever* option he had chosen to pursue. Thus the aggressive assertion of the first community initiative—"one of the most singular examples of foreign policy-making in modern times"[2]—pushed aside its immediate traditional or confederal alternatives.

How did this French choice matter for Europe? French debates did not directly indicate the range of potential outcomes in the early 1950s. The United States and other European countries were unwilling to support the original plans of French traditionalists; West Germany was going to be readmitted to European cooperation in some way. But the French did possess a veto on the European institutional framework. If they endorsed a traditional strategy, they would not obtain major controls on Germany, but no significant European institutions would result. If France chose a confederal strategy, "European union" would be limited to broad, Franco-British-led intergovernmental institutions. Only if France selected the community model would Europe create supranational, Franco-German-based institutions.

The larger historical significance of this choice was difficult to appreciate, even after the ECSC began operation in 1952. Its model of European relations remained deeply contested. Its narrow sectoral organization did little to limit plans in other policy areas. But the following chapters show that major, substantive elements of later institutional steps depended on the ECSC choice. Before France and Europe could be bound into the community model, that strategy—weak and ill defined before 1950—had to be introduced as an active option. This is what the Schuman Plan accomplished. Without this initiative, nothing in 1950 or thereafter would have forced French and European elites

2. William Diebold, *The Schuman Plan: A Study in International Cooperation* (New York, 1959), 8.

to consider a similar course. (Even given this initiative, we will see that most elites did not feel forced to take such a course.) While the ECSC itself became increasingly marginalized over the 1950s, it provided crucial opportunities for later pro-community leadership by requiring regular, high-profile ministerial meetings in a community format. The ECSC set out the community path, making possible later choices to commit France and Europe to that path.

The chapter first summarizes the policy failures that opened an "epochal moment" in French politics. It then shows how French policies in Europe began to separate into three different tracks from 1947 to 1950; that these tracks were all viable in international bargaining; and that the community track was chosen only due to leaders whose ideas on Europe distinguished them from most of their compatriots.

THE FAILURE OF FRENCH POLICIES IN EUROPE, 1944–1948

From the end of the Second World War through 1947, France was governed by broad coalitions (from Communists to Gaullists) that shared a fairly robust consensus on a familiar, traditional strategy in Western Europe.[3] The central aim of this strategy was to reconstitute the European balance of power and economy to advantage France and prevent a German political or economic revival. Its means were direct controls on Germany and military and economic alliances with other powers to bolster those controls.

French plans called for a permanent Allied occupation of Germany, since German rearmament was inconceivable.[4] The Reich would be decentralized into autonomous states (*Länder*). Germany's industrial heartland, the Ruhr, would be detached and put under international management. The Saar steel-producing region would be ceded to France. The newest German factories and a share of other domestic production would be removed for reparations. These were integral to French plans for their own reconstruction, especially in coal and steel. Planning head Jean Monnet's ambitious domestic targets depended on German reparations and massive coal imports.[5] The French planned explicitly to relocate the center of the European steel industry from the Ruhr to France.[6]

3. In 1944–45, General de Gaulle led a provisional government of all political formations. He resigned in January 1946 over the Constituent Assembly's new constitution, which he thought would reproduce the weak parliamentary regime of the prewar Third Republic. In response the three major parties—the Communists, Socialists, and Christian Democratic MRP—signed a tripartite pact that held together through May 1947.

4. See Pierre Gerbet, *Le relèvement, 1944–1949* (Paris, 1991); John Young, *France, the Cold War, and the Western Alliance* (Leicester, 1990); Marie-Thérèse Bitsche, "Un rêve français: le désarmement économique de l'Allemagne, 1944–1947," *Relations internationales* 51 (1987), 313–29; Gillingham, *Coal.*

5. Milward, *Reconstruction,* 137.

6. Northern France had large deposits of iron ore but little of the coking coal needed to make steel; the Ruhr had the reverse. German steelmakers outcompeted their French rivals before World War II, making France the raw materials exporter and steel importer.

Around Germany, French policy-makers intended to reconstruct a network of alliances. Security ties in the Franco-British-Russian triangle would provide the foundations. France would also bolster its economy in cooperation with Britain, the Benelux, and Italy. To the extent French elites debated European strategies from 1944 to 1947, they fought over who was France's major ally within this strategy. For Communists, France had to work primarily with the Soviet Union. For most Socialists, the British Labour government of Clement Attlee was the privileged partner. The right and center had their share of Anglophiles as well, eager to reestablish the entente cordiale. The associates of wartime leader Charles de Gaulle, however, resented his earlier treatment by the "Anglo-Saxons." They endorsed a military alliance with Britain—France's natural "Great Power" partner—but often pictured closer cooperation with the Benelux and Italy.

Whatever partner they favored, however, French leaders soon encountered problems in gaining support for their plans for Germany. De Gaulle signed a Franco-Soviet treaty in December 1944, but by 1945 the Soviets refused to break up Germany politically (though they initially agreed to reparations). A Franco-British treaty was repeatedly put off because London rejected a strongly punitive German settlement. It was finally signed in January 1947, under the brief leadership of Anglophile Socialist Léon Blum, but without any new agreement on Germany.[7] The Benelux, who mainly echoed British thinking on Germany, rebuffed French proposals in 1944–46 for an economic pact to surround a detached Ruhr and Rhineland.[8]

France's strategy suffered further with the first signs of the Cold War. As East–West tensions worsened in spring 1946, the Americans and Soviets began to compete to win the Germans to their side. By summer 1946 the Soviets were calling for full restoration of the German economy and sovereignty. The Americans replied by offering to fuse their occupation zone with any other into a proto-German state. The British (whose zone included the all-important Ruhr) happily accepted, creating the "bizone" in fall 1946. Thereafter the competition only accelerated. The bizone's military governors pushed to limit reparations, increase German production, and organize the skeleton of a West German government.

7. After approval of a new constitution in October 1946, the first National Assembly was elected in November. Formation of a government had to wait for elections of the upper house (the Conseil de la République) in December and of a president in January 1947. Léon Blum presided over the last provisional government during this time. See Sean Greenwood, "Return to Dunkirk: The Origins of the Anglo-French Treaty of March 1947," *Journal of Strategic Studies* 6:4 (1983), 49–65.

8. See Richard Griffiths and Frances Lynch, "L'échec de la 'petite Europe': le Conseil Tripartite 1944–1948," *Guerres mondiales et conflits contemporains* 152 (1988), 39–62; Jan Willen Brower, "Répondre à la politique européenne française: la Belgique et le Conseil de Coopération économique, 1944–1948," in *La Belgique et les débuts de la construction européenne,* ed. Michel Dumoulin (Louvain-la-Neuve, 1987), 59–75; John Young, *Britain, France, and the Unity of Europe, 1945–1951* (Leicester, 1984), 20–27; Gérard Bossuat, *La France, l'aide américaine et la construction européenne, 1944–1954* (Paris, 1992), 81; Gerbet, *Relèvement,* 145–51.

The French could do little but complain. Through 1945 and 1946, French representatives in the Interallied Control Council in Germany vetoed every proposal that suggested central German organizations and protested every step in the bizone's construction. But the French position only weakened in the winter of 1946–47. Unusually harsh weather produced food shortages and rising inflation in France, requiring huge American wheat imports. Nor was Ruhr coal flowing as planned, as German production was low and exports rationed by the bizone authorities. Hopes for a major American loan in 1946 failed to materialize, leading to a growing payments crisis. French concerns about a Soviet security threat also grew with the first complete breakdown of Four-Power talks on Germany in April 1947. France was becoming ever more dependent on the Americans just as the latter pushed harder to revive Germany.

The first sharp break in the French policy consensus on Europe came with the expulsion of the French Communists from the government in May 1947, after the Four-Power breakdown. The coup de grâce came with the American launch of the Marshall Plan a month later. The American offer promised the aid that most non-Communist elites saw as necessary to prevent economic and social implosion. Yet it came with conditions that further undercut French policies. Besides helping its allies recover, the United States intended to reconstruct Germany as well. Worse (to most French elites), recipients were expected to distribute and invest the aid collectively. The Americans wanted France not only to consent to rebuilding Germany but to "integrate" with the Germans to do so.

Through summer 1948, the French fought a retreating battle to defend their traditional strategy. They refused to participate constructively in the distribution of Marshall aid (within the Conference on European Economic Cooperation, CEEC) without guarantees on Germany.[9] The Americans, whose plans for a coordinated European reconstruction were meaningless without France, made some concessions. While explicitly ruling out the detachment of the Ruhr or Rhineland, they accepted a future International Authority for the Ruhr (IAR) and agreed to the Saar's economic union with France. Still the French rejected American plans to make the CEEC into a permanent framework for European cooperation. Until questions about Germany's future status were resolved, they argued, no organization involving Germans was acceptable.

By April 1948, when the French did agree to transform the CEEC into a permanent Organization for European Economic Cooperation (OEEC), many of those questions were resolved. But no one in France liked the resolution. In the interim, France had become still weaker, and the "Anglo-Saxons" had

9. French foreign minister Georges Bidault (MRP) warned that if French reconstruction were not put before that of Germany, the French government would fall and "there will be no Europe." Jacques Dalloz, *Georges Bidault* (Paris, 1992), 189; Milward, *Reconstruction*, 72.

pushed a German revival still more aggressively. In fall 1947, the French halted nonessential dollar imports to defend a deteriorating balance of payments, cut bread rations, and forcefully put down a series of strikes. In January 1948 the franc was devalued by 80 percent. The communist coup in Prague in February 1948 pushed the French and British to request formal security guarantees from the United States. The bizone authorities, meanwhile, unilaterally assembled a provisional West German government in January 1948.[10] In March, the United States threatened to revoke aid to the French zone to force its fusion with the bizone.[11] Most important, in spring 1948 the United States and United Kingdom steamrolled toward a West German government without conceding any French preconditions.[12] The details of the Ruhr Authority and limits to German production were deferred, and the *Länder* were authorized to begin drafting their constitution.[13]

The resultant London Accords on Germany of June 1948 spelled the failure of France's European policy. A West German Constituent Assembly would form a new central government. A new German money would be created. The French zone would fuse with the bizone as the new institutions came into being. An Allied High Commission, the IAR, and a Military Security Office would supervise German reconstruction, but the powers of the latter two organizations remained uncertain. In Paris, Foreign Minister Georges Bidault (MRP) was widely blamed for the outcome and denounced as a "traitor" by nationalists on right and left. Several leading French diplomats called openly for rejecting the deal.[14] The Foreign Affairs Committee of the National Assembly recommended acceptance by one vote, and the full house approved it by fourteen votes (300 to 286). The government fell a few weeks later, largely to evict Bidault from his post.

French plans were in tatters. Their Soviet, British, and continental allies had not supported them, and the Americans had actively undercut them. A West German state and economy were rapidly coalescing, without most of the limits the French had wanted. How would French leaders define their interests in this unforeseen and undesired Europe? As Alan Milward writes, for France, "[t]he

10. This government had a 104-member parliament, an executive, a court, a central bank, a statistics service, and a patent office.

11. Milward, *Reconstruction,* 83.

12. For the Western governments' talks on Germany beginning at the end of February 1948, the French Cabinet set four prerequisites to a West German government: subordination of German reconstruction to French; IAR control of ownership and management of Ruhr firms; strict limits on a German military and industry (forbidding most high-tech industries entirely); and agreement to rule out a politically unitary and centralized Germany. Dalloz, *Bidault,* 191.

13. F. Roy Willis, *France, Germany, and the New Europe, 1945–1967* (Stanford, 1968), 21.

14. Political Director Maurice Couve de Murville publicly refused to defend the accords before the Assembly. Director of Europe Jacques-Camille Paris and German policy chief Pierre de Leusse were also opposed. But Director of Economic Affairs Hervé Alphand and Anglophiles like Secretary-General Alexandre Parodi and ambassador to the United Kingdom René Massigli argued that France had to accept the deal. Georgette Elgey, *Histoire de la Quatrième République,* 2d ed., 4 vols. (Paris, 1993), 1:480; Dalloz, *Bidault,* 194; Gerbet, *Relèvement,* 287; Hervé Alphand, *L'étonnement d'être* (Paris, 1977), 209.

inevitable moment of choice had arrived."[15] But the choice would not be easy. The battle of ideas was just beginning.

THREE MODELS OF EUROPE, 1948–1950

From 1948 to 1950, the French consensus on European policies dissolved. Under the stress of massive environmental change, long-held notions about French interests in Europe began to be reconsidered. In addition to the major geopolitical and economic pressures described above, major domestic-political shifts created opportunities for new ideas. The war's delegitimation of the nationalist far right helped turn "Europeanist" ideas—utopian musings before the war—into active options. Crucially, however, older ideas survived these broad objective shifts as well. Even as calls for fundamentally new thinking echoed across France, some elites maintained that no deep strategic change was necessary. In the late 1940s, the participants in this emerging debate drew on the various notions of legitimacy present in French politics to develop their positions, combining them with different causal analyses of the current situation to produce three coherent, competing "master frames" for French strategies in Europe.

The foundations of the traditional model of French interests were already well elaborated. They appealed to legitimacy rooted in the nation as an inseparable whole. For the left, this legitimacy flowed through the Republic, which in the Jacobin tradition translated the "general will" described by Rousseau. For the right, this legitimacy flowed through the Nation, which bound France together as the historical family theorized by Charles Maurras. In either case, there existed no higher power than the French government, and no portion of French power could be alienated from the whole. Coupled with this notion of legitimacy was a realist analysis of international politics. In a system of nation-states, patterns of conflict and cooperation reflected the distribution of power. Wise nations balanced against power in any guise; as de Gaulle said, "States do not have friends." For France in 1948, this model suggested that even if Germany's revival was unavoidable, time-honored policies could redress the situation. Some controls on Germany could still be salvaged; military and economic alliances with other powers could still be sought; if necessary, deals could even be struck with the Germans themselves. European organizations were unneeded, perhaps dangerous, and unworthy of "Great Power" France, whose peers were the United States, the United Kingdom, and the Soviet Union—not the other Europeans.

The confederal model also posited the nation-state as the legitimate foundation for politics, but qualified this with Anglophilic "pragmatism" and a liberal view of international politics. No higher power could exist over governments, but governments participated in a community of nations that often had mu-

15. Milward, *Reconstruction,* 157.

tual interests in cooperation. Modern, democratic, capitalistic countries in particular had little to fear from one another and much to gain in cooperation, especially of an economic or technical nature. Realist-style wariness was necessary only around more suspect nations. For France in 1948, this model formulated a strategy of cooperation in broad, multilateral, intergovernmental organizations. Economic and technical cooperation in Europe was attractive. Pragmatically, the new West Germany was central to the European economy and had to be included eventually. Only Franco-British leadership, however, could safely supervise the illiberal Germans and prevent them from dominating any arrangement. Narrower frameworks for Franco-German ties were thus ruled out. Practical European organizations under Franco-British direction could support intergovernmental cooperation while keeping an eye on the "German problem."

The community model, lastly, offered a more radical package of ideas. It rested on "functionalist" notions of political legitimacy as flowing from the welfare of individuals and social groups. Nation-states had long delivered such welfare, but the two world wars and the Depression underscored their limitations. Independent nations tended inevitably toward conflict; they also divided Europe's economic markets into small, inefficient pieces. Some economic exchange and social tasks needed to be organized above the national level—and political legitimacy and identities would follow these "functions." For France in 1948, this model suggested a strong departure from familiar diplomacy. Only new "supranational" institutions, somewhat independent from governments, could hold fractious Europe (notably the Germans) on the path to peace and prosperity. Since it was soon clear that the British opposed such institutions, their cost was forsaking Franco-British balancing against Germany. But the result would be Franco-German reconciliation and real "integration," leading perhaps to a United States of Europe as powerful and rich as America.

These models bore no direct relation to the main cleavages in French politics. Traditional discourses resonated powerfully with the nationalist right and the Jacobin left, but also with prudent centrists who favored the status quo. Confederal views could appeal for any of the contrasting virtues French elites attached to Britain: as the economically liberal home of free trade, as the politically liberal cradle of democracy (and, in the 1940s, of the welfare state), or as the guarantor of Europe's balance of power against illiberal Germany. The community model could offer a way to escape (or compound) any of the problems people perceived at the national level. Liberals could see it as the route to free markets, the old right as the path to Catholic continental cartels, or the left as a framework wherein Europe's workers could finally unite and escape national conservatism; each group's European hopes could also be the others' bogeyman. From 1948 to the early 1950s, debates over which of these rationales reflected the "real" interests of French parties, regions, or sectors would come to cut across the entire non-Communist landscape.

But this new cleavage did not appear suddenly. Precisely because these new

ideas linked so loosely to the prevailing competitions in French politics, their elaboration in this epochal moment before 1950 was slow and confused. Their terms were unclear: "confederalism," "federalism," and "supranationality" had little concrete meaning before 1950, to the point that even zealous nationalists approved of "federal union" in the early European rhetoric of 1948 or 1949.[16] Individuals across the political spectrum also moved away from the earlier traditional consensus at varying speeds. Many who later settled on confederal ideas retained traditional views (or a mix) for some time. Community advocates, too, often came to their model only after entertaining high hopes first for traditional and then for confederal plans. Thus French policies and debates from 1948 to 1950 had not yet sorted out clearly into their future pattern. For this reason, this section shows only how French policies overall separated incoherently into three tracks, each of which remained strongly active when the ECSC proposal emerged in spring 1950. A later section presents who exactly wanted what in the ECSC debates themselves.

The Traditional Track

Despite their failures, many French policy-makers tried to maintain the same basic course after 1948. Their main goal was to create lasting limits on the German economy through the International Authority for the Ruhr (IAR). Flanking this were plans to bolster French economic strength relative to Germany with help from Italy, the Benelux, and Britain.

Most French leaders still thought a strong IAR possible in November 1948, when the Allies finally began to negotiate its details. The French delegates even believed they had succeeded in the agreement of December 1948. They had fought off an American attempt to allow German control over ownership of Ruhr firms (though only deferring this question), and believed that the full powers of the bizone's powerful Coal and Steel Boards would be transferred to the IAR once a West German government was in place. The IAR itself, though including German representatives alongside the Occupiers and the Benelux, had the authority to allocate German coal production between domestic use and export. This ensured French access to German coal. The IAR would also enforce rules against discriminatory practices among German coal and steel firms. French diplomats were triumphant. One historian notes, "The French acceptance of the December 1948 accords was not in the name of a new conception of relations with Germany, nor of the unity of Europe, but because they brought the French limited but real satisfaction on German controls."[17]

But it soon became clear that the fight was not over. As the IAR formed in early 1949, the Americans sought to minimize its budget, personnel, and responsibilities. When the German government was created in September 1949,

16. The French Foreign Ministry began following the "European movement" in 1947, but classified all references to cooperation from 1944 to 1949 as "federalism." MAE (Archives Diplomatiques du Ministère des Affaires Étrangères), Z, Europe, généralités 1944–1949.

17. Bossuat, *France,* 666; Milward, *Reconstruction,* 160.

the Americans read the December agreement as passing the Ruhr Boards' powers not to the IAR but to the Allied High Commission that replaced the zone governments—which was dominated by the United States.[18] Throughout 1949, the French tried to have this authority relocated to the IAR.[19] This fight remained unresolved the following spring. French diplomats planned to make another major push to strengthen the IAR at the meeting of American, British, and French foreign ministers in May 1950.[20] They still saw their cause as far from hopeless. Even if the IAR remained weak, the United States and United Kingdom supported Ruhr decartelization through the High Commission.[21] At the same time investments would beef up French steelmakers, making them ready for the end of the occupation when it came. Until then, any coal and steel deal with the Germans themselves could only weaken the French position.

Meanwhile, the French kept trying to strike deals to bolster themselves in economic competition with Germany. The most blatant such plan was for a Franco-Italian customs union. The Italians first suggested the idea at the CEEC meeting in July 1947. French officials saw the economic benefits of such a union as slim to none.[22] But political factors soon changed many French minds. In addition to responding to American calls for integration, a union could "constitute a Franco-Italian bloc against a reviving Germany."[23] French diplomats argued privately that the union would permit a French entrenchment in northern Italy's chemical and machine industries before the German recovery. In short, "[t]he union was a tool of war against Germany."[24]

Though this plan was widened in 1949 into a more multilateral accord including the Benelux, its fate displayed the persistence of traditional French analyses. Unable to mobilize support from French business for the bilateral deal and confronted by Franco-Belgian payments difficulties, French Finance officials decided to bring in the Benelux.[25] They were encouraged by the Amer-

18. The Americans argued that the deal made the IAR an arm of the Allied High Commission, which held real decision-making powers.

19. Milward, *Reconstruction,* 388.

20. Ibid.

21. Though the Americans usually argued for generosity toward the Germans, they strongly favored anticartel action. Milward, *Reconstruction,* 378.

22. The French and Italian economies were seen as much more competitive than complementary, and Italian unemployment threatened disequilibrating labor migration. Many French industries and all trade unions opposed the plan.

23. Pierre Guillen, "Le projet d'union économique entre la France, l'Italie, et le Benelux," in *Histoire des débuts de la construction européenne,* ed. Raymond Poidevin (Brussels, 1986), 144. Many observers saw the proposal as solely designed to please the United States—as surely it was for some French policy-makers. Bossuat, *France,* 163.

24. MAE, série ZE 1944–1949, vol. 88, December 3, 1948, Ambassador to Italy Jacques Fouques-Duparc to Paris; and Bossuat, *France,* 650. For Bidault and the other Catholic politicians of the MRP, a close relationship with Christian Democratic Italy was also attractive ideologically. Internal justifications, however, were almost completely in the language of an anti-German alliance. See also Alain Quagliarini, "La nouvelle donne allemande dans les relations franco-italiennes, 1949–1951," *Revue d'histoire moderne et contemporaine* 42:4 (1995), 622–57.

25. Finance Minister Maurice Petsche (Independent) and his administrators, such as Director of External Finances Guillaume Guindey and officials at the Banque de France, also hoped to

icans, who preferred wider integration. Through February 1950, expert negotiations sketched a "Finebel" plan for a payments union, a common investment bank, gradual quota liberalization, and even eventual cooperation in agriculture—though this would proceed with "a minimum of common institutions."[26] The United States set aside an extra $150 million in aid to help the project. Then, however, the talks stalled. The Dutch insisted that Germany (their main trading partner) be included. Though French agricultural officials seconded this, hoping for exports to Germany, most French officials, politicians, and business quickly decided to abandon the plan. Its goal had been economic alliances to balance against Germany; dealing with Germany itself was far too dangerous.[27] Finebel died quietly in March 1950.

Somewhat more successful, lastly, was the Brussels Pact alliance of France, Britain, and the Benelux. The direct drive to this initiative came from Soviet threats, not Western European relations per se, but it neatly reflected traditional French thinking. After the Prague coup of 1948, the French and British requested an alliance from the United States. The reply reiterated American hopes for integration: west European security cooperation was a prerequisite to an Atlantic alliance. Thus the Franco-British Treaty of Dunkirk (1947) was hastily extended to the Benelux in March 1948, forming the Brussels Pact. Despite the Soviet impetus, the French suggested that the pact be explicitly directed against Germany. Though partly a gesture to avoid aggravating the Soviet Union, this was genuinely a French concern.[28] They also wanted the Benelux to simply adhere bilaterally to the Dunkirk Treaty, without any new multilateral organization. Only at Benelux insistence was the aggressor left unspecified and a new organization created. French officials largely ignored this organization in 1949–50, however. They were simply happy to have met the American conditions and to have created a partly anti-German alliance in Europe.

Overall, if the traditional track had hit many obstacles by the end of the 1940s, many French elites did not see it as derailed. The IAR gave important controls over Germany. External pressures had pushed both the Franco-Italian and Brussels Pacts toward broader multilateral frameworks, but in both cases the French responded with traditional reactions, rejecting Finebel to avoid German participation and downplaying the Brussels Pact organization. In spring 1950, many French policy-makers were planning to keep trying to

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use the smaller customs union to sidestep the concurrent American push for broad liberalization in the OEEC (see below). Guillen, "Projet," 156.

26. Bossuat, *France,* 716.

27. These arguments came from officials in the Ministry of Industry, the French employers' foundation (Conseil national du patronat français, CNPF), and a wide variety of politicians, including Socialists (Francis Leenhardt), centrists (Pierre Mendès France, Radical), and conservatives (Louis Marin, Independent). Anglophile diplomats like Secretary-General Alexandre Parodi and London ambassador René Massigli disliked the idea of a deal without Britain. Planning head Jean Monnet opposed it as anti-German and illiberal. Guillen, "Projet," 158; Bossuat, *France,* 713.

28. Young, *Britain,* 84.

strengthen the IAR, to keep seeking economic deals with the British, Benelux, and Italy, and to push forward with national reconstruction. National independence and geopolitical balancing continued to frame their strategizing.

The Confederal Track

The pressures that pushed the Franco-Italian union to Finebel and the Brussels Pact to a multilateral organization were not lost on all French policy-makers. French Finance officials argued that recurring payments problems were best handled in a multilateral framework. French agriculture eyed the two largest European importers, Britain and Germany. Politically, France's allies insisted on admitting Germany to the West in some form. Many French leaders began to see virtues in these apparent necessities. Broad multilateral organizations could solve the German problem, strengthen France economically and politically, and still preserve French sovereignty.

Two broad fora framed such thinking: the Organization for European Economic Cooperation (OEEC) and the Council of Europe. The former was the framework U.S. leaders had demanded to ensure that Marshall aid reconstructed an open European economy rather than separate national ones. As the OEEC formed in spring 1948, some French policy-makers showed their first real enthusiasm for multilateral organizations. They proposed that the OEEC draw up collective plans for allocating Marshall aid, to be approved by an executive committee under Franco-British leadership. At some point in the future, the Germans could join this committee.[29] The French were willing to envision majority voting within it,[30] but joined the British (and most other countries) to oppose American calls for independent, "supranational" OEEC agents. The British vetoed majority voting as well, leaving the OEEC as a classic intergovernmental organization.

The French accepted the OEEC as the main forum for economic discussions but had to battle constantly to slow "Anglo-Saxon" liberalization within it. The British soon blocked French plans for OEEC economic "specialization," allocating particular industries to particular countries to obtain economies of scale and reduce intra-European competition.[31] Worse, in fall 1949 the Americans launched a major push for across-the-board OEEC liberalization. Still, most in Paris saw OEEC commitments as safe because members retained veto rights and unilateral safeguards, and other OEEC developments encouraged French interest. Talks began in late 1949 on an OEEC-framed European Payments

29. But only in the future. At the OEEC's opening discussions, said a French diplomat, "German technical advice is not needed, and German politicians are not wanted." Milward, *Reconstruction,* 178.

30. The individuals responsible for a French position in favor of majority voting were diplomat Alphand and Foreign Minister Schuman, with input from Planning head Jean Monnet. All three would later be advocates of supranational institutions. Bossuat, *France,* 191; Young, *Britain,* 88.

31. Bossuat, *France,* 635; Young, *Britain,* 118–23.

Union, which promised to help with constant French payments problems. This was the main focus of OEEC activity in spring 1950. At that point it was still true that "the French high administration, though divided, was committed to the idea of opening France commercially and European economic specialization, on the basis of Franco-British direction of Europe within the OEEC."[32]

The Council of Europe was the political parallel to the OEEC, meant to incorporate Germany into a Franco-British Europe. In mid-1948, French policymakers launched an initiative for a European Assembly. They explained internally that this would "present to the German political imagination a continental system where Germany has its part and its role."[33] A much-feared revival of German nationalism would thus be avoided. The proposal was also intended to draw American kudos.[34] The challenge was getting British support. Though the French excluded direct powers for the European Assembly—it would only discuss cooperative projects—the British saw it as dangerously autonomous. Eventual British acquiescence came at the price of subjugating the assembly to an intergovernmental council of ministers. The Germans would be admitted to the organization after their government was fully constituted but would not have a leading role.[35] Many French elites had high hopes for the first Council of Europe meetings in late 1949 and early 1950. Most important was that a Franco-British compromise had been found. One historian writes, "it was clear that France wished to avoid a rupture with Britain on this question even given major differences. Was it not necessary that the two countries show solidarity to balance against a Germany 'who is already becoming an ally' and who could 'quickly become a rival and perhaps a master'? . . . Thus the entente between Paris and London seemed indispensable to the project. Even if it cost so many concessions, it was the necessary prerequisite for the success of the enterprise."[36] Over the next several years, the council would consider a constant flow of proposals for political and economic cooperation. Even the British sent a distinguished delegation of powerful politicians.[37]

Some of the strongest signs of French support for the confederal track, finally, came in rejection of other options. In September 1949, the Americans told the French that given British reluctance on European institutions, Paris had to lead a new initiative on Germany. But most French leaders did not take this hint. Instead, the remarks were widely interpreted in Paris as threatening

32. Gérard Bossuat, "Les hauts fonctionnaires français et le processus d'unité en Europe occidentale d'Alger à Rome, 1943–1958," *Journal of European Integration History* 1:1 (1995), 93.

33. Note, Affaires étrangères à Londres, 7 October 1948, cited in Marie-Thérèse Bitsche, "Le rôle de la France dans la naissance du Conseil de l'Europe," in Poidevin, *Histoire*, 169.

34. Bitsche, "Rôle," 166–69.

35. Raymond Poidevin, *Robert Schuman, homme d'État, 1886–1963* (Paris, 1986), 225.

36. Bitsche, "Rôle," 198. Internal quotes from a telegram from Jacques Tarbé de Saint-Hardouin, head French political counselor in Germany, to the Foreign Ministry, November 30, 1948, MAE.

37. Including Labour leaders Herbert Morrison, Hugh Dalton, and Ronald McKay and Conservatives Winston Churchill, Harold Macmillan, and David Maxwell Fyfe.

an Anglo-Saxon disengagement on the continent, leaving France to face Germany alone. Terrified, French leaders drew the conclusion that they had to be more careful to include the British in any plans.[38] This assumption was clear in the flat French refusal of a proposal for a Franco-German union from new German chancellor Konrad Adenauer in March 1950. The French Cabinet decided that this was imaginable only in a broader European framework.[39] A memo to French embassies elaborated, "The hour of a Franco-German tête-à-tête has passed, as Europe is being organized around the OEEC and the Council [of Europe] in Strasbourg. If in the framework of the Council of Europe ties of the sort sketched by Adenauer were to be established between certain countries, it is natural that we would envisage creating them first with our allies, among which England and Italy naturally occupy the first rank. As for a Franco-German entente, it is a long-term project that cannot be rushed."[40]

In spring 1950, the OEEC and Council of Europe framed a pragmatic strategy that many French elites saw as a comfortable adaptation to the Cold War world. If France and Britain often disagreed on the technical tasks of these organizations—whether to promote economic liberalization or other cooperation—French leaders did not necessarily see preferable alternatives.

Hints of a Community Track

Just as the barriers to traditional policies pushed many French elites toward a confederal track in the late 1940s, so the apparent obstacles to confederal plans led other policy-makers to a further leap. The OEEC, they concluded, showed that broad economic cooperation would be undesirably liberal. The Council of Europe showed that the British would never accept significant European institutions. Yet West Germany's political rise and accelerating economy called for a stronger framework. "Supranational" institutions—without the British, if necessary—were the solution.

Not until May 1950 was this thinking reflected in French policies. Internally, however, it appeared in policy discussions in late 1948. Its leading exponent was Jean Monnet, head of the powerful Planning Commissariat. Though the main architect of the very nationally focused French reconstruction, Monnet

38. U.S. Secretary of State Dean Acheson strongly qualified his remarks that France should take the leadership in integration, adding, "Any proposal for western European integration without the UK would revive fears of German domination. . . . Therefore, British participation is necessary. . . . This might require special arrangements for continentals to proceed faster without full UK participation." Still the French were frightened that the Anglo-Saxons might force them to go it alone. French premier Henri Queuille (Rad.) called in the American ambassador to obtain reassurance on this score, and Acheson soon sent a special telegram to the French to calm their fears of an impending disengagement. François Duchêne, *Jean Monnet: First Statesman of Interdependence* (New York, 1994), 204; see also Pierre Mélandri, *Les États-Unis face à l'unification de l'Europe, 1945–1954* (Paris, 1980), 226; Bossuat, *France*, 698–703.

39. Paul Legoll, *Konrad Adenauer et l'idée d'unification européenne, janvier 1948–mai 1950* (Berne, 1989), 227–35.

40. French circulaire, March 22, 1950, cited in René Massigli, *Une comédie des erreurs, 1943–1956* (Paris, 1978), 192.

had long entertained the belief that Europe's future lay in unification.[41] A devoted Anglophile, he had pictured union as led by France and Britain. He was frustrated, however, by Franco-British fights over economic policies and British opposition to European institutions, and increasingly convinced that a stronger framework was imperative to integrate Germany into Europe. The coal and steel policies at the center of French reconstruction were the specific context for his thinking. He worried that the IAR was deeply resented by the Germans. Once the occupation ended (which would someday happen), a new arrangement would be needed to secure French access to coal and oversight of the Ruhr *Konzerns.* Thus he initiated studies of institutional options in coal and steel in late 1948. By 1949, memos in the Foreign Ministry (the Quai d'Orsay) were using terms similar to the ECSC proposal:

> The French government has arrived at the conviction that the guarantees that it seeks can only be validly obtained by somehow associating Germany in a broader framework, that of Europe. Ruhr steel will not be German steel, but a part of European steel. France will be associated, in the same way as Germany, in the direction of this steel cartel. She will thus have her word to say, better than by the means of international controls, in questions of the German steel industry. It is by a voluntary abdication of one part of the sovereignty of states, by an association of the interests of these states that France believes it possible, in thus tying down Germany, to be assured of the security guarantee she seeks. . . . German economic power will become a support rather than a menace. . . . Politically, a Germany associated to Europe by contractual links respecting her interests will not have the temptation to undertake adventures.[42]

Still, few participants in this discussion were ready to enter such an accord without Britain. This memo went on to add that to avoid German dominance in such plans, "[t]he sole way to protect ourselves is through a close alliance, in the European union, of the British and French peoples." The Quai d'Orsay's studies envisioned a cartel run by bureaucrats and industrialists, not autonomous new institutions. Even Monnet himself did not seriously consider breaking with Britain until February 1950, after the failure of a last personal attempt to interest British officials in economic cooperation.[43]

Nonetheless, by spring 1950 a few French leaders were concluding that the blockage of traditional policies and the apparent weakness of confederal organizations pointed to a bold new French policy. All continued to hope to retain a partnership with Britain. But a strong institutional basis for Franco-

41. See Duchêne, *Monnet;* Eric Roussel, *Jean Monnet, 1898–1979* (Paris, 1996); Jean Monnet, *Mémoires* (Paris, 1976).

42. "Note: l'Allemagne et l'Union européenne," January 5, 1949, cited in Pierre Gerbet, "Les origines du Plan Schuman," in Poidevin, *Histoire,* 209.

43. Duchêne, *Monnet,* 189.

German reconciliation, and coal and steel trade, was imperative. If necessary, they might strike out without the British. Hesitantly, a new master frame for French strategies was forming.

FRENCH STRATEGIES AND EUROPEAN BARGAINING IN 1950

That French policy-makers were considering several strategies around 1950 does not mean that these strategies were all viable internationally. We have seen that traditional and confederal policies encountered obstacles in the late 1940s. Thus European bargaining might have forced the French to a community-style outcome whatever their hesitations. This section argues, however, that this was not the case. International demands were not forcing France to the community path. A community Europe was for France to choose or reject.

Despite French strategic difficulties, their partners generally preferred confederal or traditional arrangements in 1950. This was true in a broad political sense, in general economic relations, and in the specific sector of coal and steel. British preferences were the most explicit. In political relations, the British preferred the traditional status quo but were willing to accept the weak confederal forum of the Council of Europe. In economic relations, they preferred a broad, confederal framework for gradual liberalization but saw little need for a central organization that was more than a negotiating table.[44] In coal and steel, they supported the IAR but approved of movement toward the same kind of technical arrangements envisioned by many French businessmen and bureaucrats: cartel-like intergovernmental boards within the OEEC or Council of Europe.[45]

Dutch preferences in 1950 echoed those of the British: hostile to strong international institutions, favorable to broad liberalization, ready to lift most controls on the German economy, but willing to consider more interventionist plans in coal and steel. The Dutch would later insist that the Schuman Plan negotiations were conditional on British participation (and thus that the negotiations should be relocated to the OEEC or Council of Europe), and only dropped this demand to avoid being left behind by the French and Germans.[46]

44. Roger Bullen, "Britain and 'Europe,' 1950–1957," in *Il rilancio dell'Europa e i trattati di Roma,* ed. Enrico Serra (Brussels, 1987), 317; Roger Bullen, "The British Government and the Schuman Plan, May 1950–March 1951," in *Die Anfänge des Schuman-Plans, 1950–51,* ed. Klaus Schwabe (Brussels, 1988), 199–210; John Young, "British Officials and European Integration," in *Building Postwar Europe,* ed. Anne Deighton (New York, 1995), 92; N. Piers Ludlow, *Dealing with Britain: The Six and the First British Application to the EEC* (New York, 1997), 16–18.

45. The British agreed with the general idea of coal and steel talks and thought that everyone's interest pointed toward "rapidly putting something together," but opposed supranationality. Poidevin, *Schuman,* 276. On British coal and steel, see Ruggero Ranieri, "The Italian and British Steel Industries Face to Face with the Schuman Plan and the European Coal and Steel Community," in *The Frontier of National Sovereignty: History and Theory, 1945–1992,* ed. Alan Milward et al. (New York, 1993), 117–54.

46. Close ties to Britain were the axiom of Dutch foreign policy. Ludlow, *Dealing,* 17; Richard Griffiths, "The Schuman Plan," in *The Netherlands and the Integration of Europe, 1945–1957,* ed. Grif-

The Belgians, though more open to stronger institutions and more gradual liberalization, also generally saw a necessary British presence as dictating cooperation on an OEEC/Council of Europe model.[47] Coal and steel were more important to the Belgian economy than to any other, and their industries were publicly hostile to both "supranational" interference and the loss of protection. They too would accept the Schuman Plan format only with reluctance.[48]

Vanquished Italy and Germany were less able to make demands in European negotiations around 1950, but neither would have demanded anything like a supranational coal and steel plan in any case. The Italians supported almost any European initiative for political reasons, but feared liberalization in general and were planning to keep their coal and steel industries totally protected for several years.[49] Adenauer's government was in a similar (but economically stronger) position. The chancellor welcomed any European plan that included Germany. In economic relations, however, Economics Minister Ludwig Erhard, most German policy-makers, and German industry were strong partisans of OEEC liberalization.[50] In coal and steel, German policy-makers and interest groups were frankly hostile to a "supranational" authority, seeing a combination of intergovernmental accords and cartel-like producer associations as the desirable format.[51] Thus the Germans were also closer to British preferences in coal and steel.

Most important of all, American signals for or against various French strategies were decidedly mixed. By late 1949, many U.S. policy-makers had concluded that their push for supranational integration in Europe had failed (owing largely to British resistance), and turned toward securing liberalization and currency convertibility in the OEEC.[52] Ironically, although Secretary of State Dean Acheson and others still held some hopes for supranationality, one

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fiths (Amsterdam, 1990), 113–35; Albert Kerstens, "A Welcome Surprise? The Netherlands and the Schuman Plan Negotiations," in Schwabe, *Anfänge,* 285–304.

47. One of the head Belgian negotiators in the Schuman Plan talks said in September 1950 that if they had known the details of the "supranational" French proposals before the negotiations, they would "in all probability" have followed Britain and refused talks on this basis. Alan Milward, "The Belgian Coal and Steel Industries and the Schuman Plan," in Schwabe, *Anfänge,* 437.

48. Michel Dumoulin, "La Belgique et les débuts du Plan Schuman," in Schwabe, *Anfänge,* 271–84; Dumoulin, *La Belgique et les débuts de la construction,* 20–25. The Luxembourg government also opposed supranationality and a break with Britain, and like Belgium and the Netherlands "resigned itself to accepting the ECSC" only to avoid being left out of a Franco-German entente. Ludlow, *Dealing,* 15.

49. Bossuat, *France,* 760; Ranieri, "Italian."

50. Werner Bührer, "German Industry and European Integration in the 1950s," in *Western Europe and Germany: The Beginnings of European Integration, 1945–1960,* ed. Clemens Wurm (Washington, D.C., 1995), 102; Milward, *Reconstruction,* 413.

51. Gillingham, *Coal,* 240–42, 285–92; John Gillingham, "Solving the Ruhr Problem: German Heavy Industry and the Schuman Plan," in Schwabe, *Anfänge,* 309–36.

52. Milward, *Reconstruction,* 282. American ambassador to France David Bruce wrote on April 25, 1950, "(1) . . . there will be no real European integration without whole-hearted participation by the UK, (2) the UK will not whole-heartedly participate . . . (3) ergo, there will be no purely European integration. . . . Instead we [the United States] should advocate . . . an Atlantic Treaty Community." Duchêne, *Monnet,* 189.

area where they seemed to oppose it was coal and steel. In April 1950, American Marshall Plan officials criticized the ideas for a "European authority" for the Ruhr that were circulating in Europeanist circles, as this might only reconstitute the interwar cartels. This hostility was explicit in Acheson's briefings for the May 1950 foreign ministers meeting.[53] For French policy-makers in 1950, then, American attitudes seemed an obstacle—not an encouragement—to a community-style initiative in coal and steel. John Gillingham notes that American support followed rather than led the French initiative: "Only with [Schuman's proposal] did the United States commit itself . . . to backing France's solution to the German problem."[54]

In sum, international bargaining was not about to force France to a community strategy in spring 1950. To the contrary, all powerful non-French actors remained to be convinced that supranational institutions in a "little Europe" were desirable, and especially that they were worth a break with Britain. These positions made clear that if the French decided to pursue a confederal Europe based on the OEEC and Council of Europe, this solution was viable. If the French remained hesitant about the OEEC (or other options), European relations would default to the traditional status quo (which is what happened, outside of coal/steel and defense, until the late 1950s). Thus the French elites who favored confederal or traditional alternatives were not irrational, misreading objective French interests and advocating impossible strategies. France faced a real historical choice, for itself and Europe.

INTRODUCING THE COMMUNITY MODEL

The origins, negotiation, and ratification of Schuman's plan for a European Coal and Steel Community in 1950–51 show that neither geopolitical imperatives, French economic needs, nor domestic-electoral jockeying selected between the three European options French elites perceived at the time. Instead, the ECSC emerged and succeeded only because of aggressive leadership within a fragmented polity. Born in secrecy, it was greeted with widespread hostility from interest groups and bureaucrats, and divided reactions across the party system. Negotiated in isolation from normal policy processes, it was presented for ratification as a fait accompli and rallied a reluctant majority only through unrelated coalitional pressures and side payments. Unsurprisingly, this bold initiative both attracted support for its new strategy and consolidated opposition to it. Around it, the nascent battle of European ideas crystallized into a deep new political cleavage. As one contemporary observed, "The Schuman Plan posed problems which surpassed, in a singular way, the habitual frame-

53. The State Department objected that if "Europeanization" were allowed to proceed, the IAR "could hardly fail to become engaged in the maintenance of prices and the restriction of production in the interests of producers," and found it "extremely doubtful" that this would be preferable to an OEEC-based arrangement. Cited in Milward, *Reconstruction*, 388.

54. Gillingham, *Coal*, 148.

works of [French] politics. . . . We saw, among the partisans as much as the adversaries of the project, men of the right, men of the left, liberals and dirigistes, businessmen and workers, Christians and the secular, all ready to justify their position as a function of their own ideology."[55]

Origins

The Schuman Plan's irregular origins are well known. Planning chief Jean Monnet had been considering a European coal and steel plan for some time. In early spring 1950 he finally concluded that progress might be made only without Britain. His unparalleled personal contacts with American leaders made him confident he could calm their fear of a European cartel.[56] Fearing opposition in France, however, he secretly crafted his plan in April 1950 with a handful of personal aides. After a rebuff from Prime Minister Georges Bidault (MRP), Monnet sent the plan to Foreign Minister Robert Schuman (MRP).[57] Schuman, an Alsatian who had fought for Germany in World War I, was obsessed with finding a basis for Franco-German reconciliation.[58] He quickly undertook to push Monnet's plan past the government. In two brief and vague Cabinet discussions, Schuman obtained hesitant support, then immediately announced the proposal at a press conference on May 9. France, Germany, and any other interested nations would create a coal and steel "pool" under a "supranational authority."

Behind vague press approval for a gesture of European unity, French reactions were mixed (to say the least). Significant pockets of strong support were scattered across the governing "Third Force" coalition (of Christian Democratic MRP, centrist Radicals and UDSR, Socialists, and conservative Independents and Peasants).[59] In his MRP, Schuman drew loud support from at least 50 of the 166 deputies, around a core of "ultras of Europe" behind François de Menthon, Pierre Pflimlin, Pierre-Henri Tietgen, and Robert Bichet.[60] Over the next few weeks, their support was echoed publicly or privately by approximately a third of the 67 Independents, including free market liberals like Paul Reynaud and more protectionist small industrialists like Antoine Pinay and André Mutter; a score of the 52 centrists behind Justice Minister René Mayer (Rad.), Defense Minister René Pleven (UDSR), Yvon Delbos (Rad.), and Mau-

55. Georges Goriély, "L'opinion publique et le plan Schuman," *Revue française de science politique* 3 (1953), 585–611.

56. Monnet had extensive ties to American elites thanks to business connections and participation in interwar financial negotiations and wartime planning boards. Roussel, *Monnet,* 524.

57. Bidault either never read Monnet's memo or thought (as he claims in his memoirs) that it "could be improved by making certain changes and omissions." Georges Bidault, *D'une Résistance à l'autre* (Paris, 1965), 177; Dalloz, *Bidault,* 306; Elgey, *Histoire,* 1:552.

58. Poidevin, *Schuman;* Gerbet, "Origines," 222.

59. The "Third Force" included all the parties between the Communists on the left and the Gaullists on the right. Both of these rejected the parliamentary institutions of the Fourth Republic (though for very different reasons), and the other parties united to defend the new constitution.

60. Alfred Grosser, *La Quatrième République et sa politique extérieure* (Paris, 1961), 127.

rice Bourgés-Maunoury (Rad.); and perhaps a dozen of the 128 Socialist deputies, led by André Philip, Félix Gouin, and Gérard Jacquet.[61]

These early supporters of the community plan, however, composed no more than a third of the governing coalition. A slightly larger number across the majority voiced confederal-style skepticism. One MRP leader later noted, "One cannot say that it was the MRP that pushed [Schuman] to take his initiative."[62] The MRP shared an electorate, many positions, and many personal connections with the Gaullists. Experts agree that the party's adoption of strongly "Europeanist" platforms in the late 1940s was opportunistic rhetoric to many members, seeking to capitalize on the broad but shallow public support for as yet undefined European "federalism."[63] Schuman's concrete proposal now called their bluff. While the MRP's extremely hierarchical party organization enforced official support of the foreign minister, private skepticism was widespread. Prime Minister (and MRP co-founder) Bidault did not directly support the plan in Cabinet discussions.[64] He and other leading members (like Secretary of State for Economic Affairs Robert Buron) privately questioned supranationality and a break with Britain. Their doubts were voiced publicly, meanwhile, in the official Socialist reaction: Europe could be built only with the British. SFIO party chief Guy Mollet and elder statesman Léon Blum "saw little more than a scheme to shore up a decadent German and French capitalism and affront the British Labour Party."[65] Mollet argued to Monnet in favor of an explicitly unsupranational alternative in the Council of Europe.[66] At least twenty conservative liberals and industrialists among the Independents made the same arguments. Finance Minister Maurice Petsche—a liberal much like Reynaud—bitterly criticized Schuman for pro-British, pro-OEEC reasons.[67] A similar number of centrists behind Édouard Bonnefous (UDSR) and Pierre

61. Erling Bjøl, *La France devant l'Europe* (Copenhagen, 1966), 190; Roussel, *Monnet,* 527; Jacques Mallet, "L'idée européenne et les partis politiques," *Recherches et débats* 22 (1958), 148; Francis O'Neill, *The French Radical Party and European Integration* (London, 1981), 31–33.

62. Pierre Pflimlin, in a later interview, cited in Émile-François Callot, *L'action et l'oeuvre politique du mouvement républicain populaire* (Paris, 1986), 144.

63. At no point through the 1950s did MRP voters exhibit significantly more enthusiasm for European projects than other Third Force parties' supporters. Bjøl, *France,* 145; Serge Berstein, Jean-Marie Mayeur, and Pierre Milza, eds., *Le MRP et la construction européenne* (Paris, 1993); R. E. M. Irving, *Christian Democracy in France* (London, 1973), 174; Russell Capelle, *The MRP and French Foreign Policy* (New York, 1963), 52.

64. According to a Schuman aide, cited in Roussel, *Monnet,* 524. MRP leader Pierre-Henri Teitgen writes that Bidault saw the Schuman Plan in May 1950 as a "utopia of technocrats." Pierre-Henri Teitgen, *Faites entrer le témoin suivant: 1940–1958* (Rennes, 1988), 412; Georges-Henri Soutou, "Georges Bidault et la construction européenne, 1944–1954," *Revue d'histoire diplomatique* 105:3 (1991), 267–306.

65. Ernst Haas, *The Uniting of Europe: Social, Economic, and Political Forces, 1950–57* (Stanford, 1958), 116; Byron Criddle, *Socialists and European Integration* (London, 1969), 49; Wilfried Loth, "The French Socialist Party, 1947–1954," in *Socialist Parties and the Question of Europe in the 1950s,* ed. Richard Griffiths (Leiden, 1993), 25–42; Pascal Delwit, *Les partis socialistes et l'intégration européenne* (Brussels, 1995), 61–64.

66. Bossuat, *France,* 758.

67. Elgey, *Histoire,* 1:558.

Mendès France (Rad.) also argued that British participation was absolutely crucial.[68]

Significant groups in each governing party, together with the opposition and the main interest groups, also attacked Schuman in more traditional terms. The Communists and Gaullists denounced the plan as a sellout to either capitalists, the Germans, or faceless supranational bureaucrats (or all three).[69] A dozen or so MRP figures (Léo Hamon, André Denis, Henri Bouret) muffled the same views under party discipline. Among the Socialists, French president Vincent Auriol argued strongly against supranationality in Cabinet discussions.[70] At the May 1950 SFIO Congress, Jules Moch represented groups on both right and left of the party in arguing that German industrialists were "very happy" with the Schuman Plan and "were hoping, through it, to considerably develop their area of expansion."[71] The last third of the centrists (led by the two elder Radical rivals, Édouard Daladier and Édouard Herriot) attacked "equality" for Germany and supranationality, praising the IAR.[72] So did the remaining score of Independents (Louis Marin, François Valentin, Pierre André, Maurice Boivin-Champeaux, Adolphe Aumeran). They argued that the Germans would now obtain through French policy what they had sought in the war, and almost passed a resolution condemning Schuman in the National Assembly's Foreign Affairs Committee. This faithfully represented the business groups of which the Independents (as a whole) were usually the mouthpiece. Led by steel and coal firms, the main employers federation (the Confédération nationale du patronat français, CNPF) and small business quickly announced their opposition to "supranational" intervention in their markets.[73]

Bureaucratic reactions were also divided, although Schuman's supporters were decidedly more rare in the inner bastions of the French state. Only a handful of diplomats stood by their minister, most notably Director of Economic Affairs Hervé Alphand.[74] Confederal views predominated. For Secretary-General Alexandre Parodi, Political Director Maurice Couve de Murville, Director of Protocol Jacques Dumaine, and ambassador to the United Kingdom René Massigli, supranationality was undesirable, and insistence on it was

68. Mallet, "L'idée," 147.

69. On May 19, de Gaulle ridiculed the plan as "a kind of hodgepodge of coal and steel, which nobody knows who runs it or who definitively profits from it." Poidevin, *Schuman,* 265.

70. Vincent Auriol, *Journal du septannat,* 7 vols. (Paris, 1970–75), 4:185.

71. Rubens Pinto Lyra, *La gauche en France et la construction européenne* (Paris, 1978), 30.

72. About twenty-five to thirty deputies. O'Neill, *French,* 35.

73. Henry Ehrmann, "The French Trade Associations and the Ratification of the Schuman Plan," *World Politics* 7:2 (1954), 453–81. On French business preference for simple cartels, see Raymond Poidevin, "Le rôle personnel de Robert Schuman dans les négociations CECA," in Schwabe, *Anfänge,* 107. French farmers' groups initially welcomed a precedent for export deals with Germany; once negotiations fleshed out "supranationality," however, they too came to oppose such institutions as uncontrollable. Hélène Délorme and Yves Tavernier, *Les paysans français et l'Europe* (Paris, 1969), 20.

74. Other notable supporters included Director of Europe Jean Laloy and High Commissioner in Germany André François-Poncet.

sure to lead to an unacceptable break with Britain.[75] They agreed on "Britain as France's irreplaceable partner against Germany . . . [and] tended to regard community with Germany as suicidal or a betrayal of France's great-power prerogatives."[76] Massigli would later write, "From the moment when Jean Monnet rallied Robert Schuman to the idea of European federalism, to which the supranational system he had invented was meant to lead, I fought tirelessly for the victory of a confederal conception to which it would be possible, with time, to rally Great Britain; I could not conceive Europe without Great Britain."[77]

Most economic officials opposed a break with Britain as well, with the important exception of Monnet and several others at the Plan. Like interest groups, they were very concerned about the intrusion of a supranational authority into (their) markets.[78] Olivier Wormser, Alphand's friend and deputy in Economic Affairs at the Quai, joined Finance Ministry officials to launch an internal counterproposal to shunt coal and steel discussions into the OEEC. Top Finance official Alexandre Kojève wrote "memorandum after memorandum against supranationality and the High Authority."[79] Reworking Schuman's proposal, he replaced the words "France and Germany" with "countries of the OEEC," and "High Authority" with "European investment bank." The other major Finance figures supported him, as did the Industry Ministry officials directly responsible for coal and steel.[80] This culminated in a confederal counterattack at the ministerial level in early June. Finance Minister Petsche (Indep.) and Secretary of State for Economic Affairs Robert Buron (from Schuman's own MRP) established secret contacts with the British to try to undercut Schuman. Claiming to act with Prime Minister Bidault's approval, Petsche proposed to British chancellor Stafford Cripps that they form "a common front of partisans of international cooperation in the OEEC."[81] Petsche

75. Jacques Dumaine, *Quai d'Orsay (1945–1951)* (Paris, 1955), 502; Frances Lynch, "The Role of Jean Monnet in Setting Up the European Coal and Steel Community," in Schwabe, *Anfänge,* 122; Massigli, *Comédie,* 212. On Parodi, see François Seydoux, "Le Secrétaire Général du Ministère des Affaires Étrangères," in *Alexandre Parodi,* ed. Institut de France (Paris, 1982), 71–75. Parodi's predecessor, Jean Chauvel, shared their view. Jean Chauvel, *Commentaire,* 2 vols. (Paris, 1971), 2:268.

76. Duchêne, *Monnet,* 206.

77. Massigli, *Comédie,* 212–21.

78. Neither interest groups nor most bureaucrats opposed dirigiste arrangements per se. They simply did not want a new actor to disrupt current arrangements.

79. But certain Finance officials elsewhere in the government, like Schuman's Cabinet director Bernard Clappier (who would soon replace Kojève), supported the plan. Gérard Bossuat, "La politique française de libération des échanges en Europe et le Plan Schuman (1950–1951)," in Schwabe, *Anfänge,* 319–32.

80. Guillaume Guindey (Finances extérieures) and Thierry de Clermont-Tonnerre and Bernard de Margerie (Finance officials at the Secrétariat Général du Comité Interministériel pour les questions de la coopération économique européenne, SGCI, which coordinated European policies) "discretely supported" Kojève. Margerie proposed replacing the Schuman Plan with "an international office composed of private firms controlled by nation-states." Bossuat, "Hauts," 98; Gérard Bossuat, "The French Administrative Élite and the Unification of Western Europe, 1947–1958," in Deighton, *Building,* 21–37.

81. MAE, série DE-CE, vol. 89, June 14, 1950, "Note pour le Président," initialed by Olivier Wormser.

said he, Bidault, and several other ministers "had grave misgivings about placing French industry under a supranational authority."[82] He suggested that they work out something to propose when Monnet's scheme fell apart.[83]

But Cripps was hesitant, and the action was already elsewhere. Adenauer and the Italians had welcomed the plan; Monnet had persuaded Dean Acheson to support it (though his first reaction was that it was "the most horrible cartel I've ever seen"); and the Benelux had reluctantly decided to attend.[84] By June 3, when Schuman's insistence on supranationality convinced the British not to participate, the talks were already scheduled to open on June 20.

As Schuman said at his initial press conference, his plan was "a leap in the dark." Its only clear support came from less than half of his own party, minorities in other parties of left, right, and center, a few diplomats, and a handful of Plan officials. Most of the Third Force, most senior bureaucrats, and interest groups had not been calling for such an initiative and did not rally to endorse it once it was proposed.

Negotiations

Schuman and Monnet pushed ahead, despite widespread shock (in France and elsewhere) at their willingness to prioritize a supranational framework over British participation. On June 12, Schuman persuaded the French Cabinet to allow Monnet to run the negotiations alone. He included a few sympathetic diplomats (Alphand and François Valéry from Economic Affairs) and initially an industry representative. The latter quickly resigned, denouncing the plan as "socialistic, inconsistent, antipatriotic, and unnecessary."[85]

The negotiations ran from June 1950 through March 1951. Three aspects stand out. First, the French alone championed supranationality. If Monnet had not pushed for such institutions, no one would have done so. Second, even with Monnet formulating much more flexible positions than most French preferred, the talks almost failed over economic issues. A more representative French delegation would have been unlikely to reach any such deal. Third, Monnet seriously consulted his government only once during the talks, in December 1950 when the treaty was almost complete. When he did, he spent his time persuading ministers and defending his positions, not asking for input. Not only did Monnet and Schuman think differently from most of their compatriots, but they actively prevented French ministers, bureaucrats, and interest groups from weighing in.

Monnet and Adenauer had agreed that institutions would be the first issue addressed. Monnet presented a forty-article draft treaty, centered on a supra-

82. Duchêne, *Monnet,* 205.

83. His idea was "to pool production of tractors or aircraft." Lynch, "Role," 123. On July 3, Petsche also tried to divert attention by proposing a new OEEC liberalization project.

84. Dean Acheson, *Present at the Creation* (New York, 1969), 382; Irwin Wall, *L'influence américaine sur la politique française, 1945–1954* (Paris, 1989), 278; Monnet, *Mémoires,* 375; Gillingham, *Coal,* 233; Duchêne, *Monnet,* 207.

85. Steel industrialist A. Aron. Cited in Gillingham, *Coal,* 237.

national version of his Planning Commissariat. No mention was made of any formal government control over it; independent tax resources apparently meant it would operate with complete autonomy. But the Dutch balked, with support from the Belgians, Luxembourgers, and Germans.[86] They insisted on appending a Council of Ministers that would vote, usually by majority, to approve many of the High Authority's decisions. Also added were a Court of Justice to arbitrate conflicts, and a consultative Assembly. The result, agreed in late summer, thus represented a tempering of Monnet's supranational plans (unrepresentative of his own government) by the other governments.

The talks became more conflictual in the fall, when they turned to economic issues. In the interim the Korean War had broken out. Fearing a Soviet attack in Europe, the Americans began to push to rearm West Germany and to remove its last economic limits. This encouraged Adenauer to demand more on the ECSC. In September, appealing to the Schuman Plan's principle of "equality," the Germans called for abolishing the IAR and abrogating their other economic restraints.[87] They rejected French plans for allowing certain kinds of price discrimination and for gradually equalizing wages and employer costs in coal and steel, both of which were meant to cut the cost advantages of German steelmakers. They also refused Monnet's draft anticartel provisions, which were largely directed against them.[88]

A deal was reached only through broad French concessions and massive pressure on the Germans through Monnet's American connections. Monnet was sympathetic to most of the German arguments.[89] His clauses on price discrimination and equalization of costs—central concerns of French steel interests and Industry Ministry officials—were quickly scrapped.[90] Monnet also promised the German negotiator Walter Hallstein that the IAR would disappear once the ECSC came into existence.[91] On the cartel clauses, however, Monnet drew his line. If French coal and steel were going to compete with German, they would do so only after the Ruhr firms had been decartelized and deconcentrated. On this point he had U.S. support. Even with their pressure, however, German industrialists' opposition to supranational cartel busting was so strong that the ECSC talks almost completely broke down in January and

86. Gillingham, *Coal,* 240.

87. Bossuat, *France,* 777; Poidevin, "Rôle," 107; Anne Lacroix-Riz, "Paris et Washington au début du Plan Schuman (1950–1951)," in Schwabe, *Anfänge,* 241–68.

88. Germany had the only private industries big enough to be strongly affected by the clauses as Monnet had written them. This was particularly blatant in coal, where the mines were nationalized everywhere but in Germany; the public cartels in the other states would be unaffected by rules for private industry. But it was also true in steel owing to disparities in firm size. Even after the deconcentration of the Ruhr, in 1952, all seven steel plants in the ECSC with more than one million tons output were German. Duchêne, *Monnet,* 216–18.

89. In late September he wrote to Schuman, "[T]here is much truth in Mr. Erhard's arguments." Bossuat, *France,* 769.

90. Richard Griffiths, "The Schuman Plan Negotiations: The Economic Clauses," in Schwabe, *Anfänge,* 35–71.

91. Gillingham, *Coal,* 267.

February 1951.[92] Adenauer relented only in March, when American High Commissioner John McCloy (Monnet's intimate friend) gave him an ultimatum: accept decartelization and the ECSC, or the former would be imposed.[93] Other concessions to the Germans were part of the deal. A "little revision" of the Occupation Statute erased limits on economic production and diplomatic sovereignty.[94] Schuman also dropped French demands that the Germans recognize the autonomy of the Saar.[95]

Reluctance in Paris was clear when Monnet finally consulted his government in December 1950 and again around the deal in March. Most of the ministers were shocked at the High Authority's powers, including MRP members Robert Buron (Economic Affairs), Jean-Marie Louvel (Industry and Trade), and Paul Bacon (Labor). Buron and Finance Minister Petsche (Indep.) remained particularly hostile.[96] Finance Ministry bureaucrats still echoed business's views on supranationality as unacceptable dirigisme.[97] Ironically, Monnet's cartel clauses were also opposed by French coal and steel, the main employers' assocation, and the Industry Ministry. Though they wanted to break up the Ruhr, they argued that the Allied High Commission was doing this in any case, so there was no reason to subject French industry to similar policies.[98] Several ministers strongly criticized relinquishing the IAR, insisting that it endure until Ruhr decartelization was complete.[99] The Saar concession was criticized in all parties, including the MRP.[100] Provisional French Saar governor Gilbert Grandval violently denounced Schuman's recent policies.[101] The Occupation

92. In February, American High Commissioner John McCloy was "more or less certain of failure of the Schuman Plan because of the Germans." Letter cited in Duchêne, *Monnet,* 218.

93. All accounts emphasize that American pressure on the Germans was crucial to the success of the talks and that only Monnet's close connections to American policy-makers (above all McCloy) allowed him to mobilize that pressure.

94. The Federal Republic would be permitted to create a Foreign Affairs Ministry and engage in diplomatic relations. The High Commission would no longer review German legislation before its promulgation. Many limits on industrial production were either raised or abolished (though the Germans had already quietly passed many of these, including the ceiling on steel production). The French also agreed to evacuate most of the river port of Kehl, which they had sought to "internationalize." Willis, *France,* 108; Gillingham, *Coal,* 269.

95. The difficult Saar issue was addressed only in early 1951. The French initially wanted the Saar to sign the treaty separately, implying German recognition of its independence. The French concession was for France to sign for the Saar, which the Germans preferred since this recognized only de facto French trusteeship.

96. Bossuat, *France,* 765–68; Griffiths, "Schuman Plan Negotiations," 71.

97. Note that in light of the widespread opposition in business and the bureaucracy to the anticartel provisions, it is difficult to see the opposition to dirigisme as motivated by a desire for free markets. Business did not want to be subject to a distant, perhaps unsupportive supranational organization, and economic bureaucrats did not want to give up their prerogatives to such an organization. See Ehrmann, "French"; Gillingham, *Coal,* 289; Duchêne, *Monnet,* 217.

98. French industry was just as cartelized as that of Germany, just on a smaller scale. Milward, *Reconstruction,* 378.

99. Raymond Poidevin, "René Mayer et la politique extérieure de la France, 1943–1953," *Revue d'histoire de la deuxième guerre mondiale et des conflits contemporains* 34:133 (1984), 73–97.

100. Poidevin, "Rôle," 115. On the "nationalistic stand" by many MRP members on the Saar, see Capelle, *MRP,* 63.

101. Grandval tendered his resignation. Schuman wanted to accept and replace him with a Ger-

Statute revision provoked similar attacks from Socialists, Radicals, and Independents (in addition to Gaullists and Communists). Overall, the Cabinet endorsed the treaty in April 1951 only after difficult discussions.[102]

Adenauer later described French pursuit of the Schuman Plan as "a victory of the minister over his officials."[103] It was equally a victory over much of the governing coalition and French interest groups. Throughout the negotiations, most French elites remained skeptical of the benefits of a supranational coal and steel pool. Only because most of them had little or no input into the negotiations did French policies continue in that direction.

Ratification

In December 1951, a French majority coalesced to ratify a treaty most of them had not wanted to pursue. Why? Electoral or interest group demands do not hold the answer. Public opinion was "all but indifferent to the Plan," and the political debates around it "hardly affected the French people."[104] Very few French citizens could distinguish between the ECSC, the Council of Europe, and the OEEC. Their views followed rather than led the leaders of parties with which they identified.[105] Interest groups were more opposed to the treaty than ever. French business mounted a high-profile antiratification campaign.[106] A series of CNPF-funded handbills read, "The Schuman Plan in its present form means the victory of German steel"; "The Plan means unemployment and workers' deportation to Germany"; "As it stands now, the Plan means misery and war. . . . To defend peace and a true European community, ask for revision of the treaty."[107]

Nor did the legislative elections of June 1951 help the ECSC. Since the 1946 elections, de Gaulle's Rassemblement du Peuple Français (RPF) had mobilized

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manophile diplomat, Armand Bérard, but Grandval was supported by Bidault, President Auriol, and Petsche. Auriol, *Journal,* 4:183; Poidevin, "Rôle," 109.

102. Auriol, *Journal,* 4:173–83.

103. Cited in Duchêne, *Monnet,* 206.

104. A late 1950 poll found that only 9 percent of French voters could identity basic features of the Schuman Plan; of these, only 25 percent supported it. Ehrmann, "French," 475; Willis, *France,* 98. A contemporary study across the ECSC countries found that "public opinion is neutral, but with an armed neutrality ready to become hostility at the slightest error of maneuver committed by leaders." Institut des Relations Internationales de Bruxelles, *La communauté européenne du charbon et de l'acier* (Paris, 1953), 316.

105. Even a year after ratification, a third of the population had not heard of the ECSC. Goriély, "L'opinion," 599; Jean Stoetzel, "The Evolution of French Opinion," in *France Defeats EDC,* ed. Raymond Aron and Daniel Lerner (New York, 1957), 72–101.

106. In French big business, some support for the ECSC did emerge among steel-consuming industries, which stood to gain from price competition in steel. But the way this support emerged displayed that battles over European plans extended even into the interest groups. In June 1950, the association of major steel users (the Fédération des industries méchaniques et transformatrices) elected as president a violent opponent of the Schuman Plan, André Métral. Métral purged the organization of Schuman Plan supporters in mid-1950. Ousted secretary-general Jean Constant responded by founding a steel consumers' association to campaign for ratification. Métral carried the overall CNPF position against the treaty, however. Willis, *France,* 94.

107. This material was not distributed, however, because the CNPF decided it was "inopportune to propagandize the issues on this level." Ehrmann, "French," 467.

into the second-largest party (after the Communists), mostly by wooing MRP supporters. Only blatant manipulation of electoral laws allowed the Third Force coalition to survive the vote.[108] The rhetorically "European" MRP and Socialists did particularly poorly, with the former losing half its votes and seats (from 173 to 85).[109] Radical, UDSR, and Independent leaders would be able to cobble together governments for the next several years, but these were precisely the political groups most divided over European strategies. A pro-ECSC majority had become still more difficult to assemble.

Three factors explain why the ECSC was ratified amid popular indifference, interest group opposition, and coalitional weakness. All three were types of leverage that Schuman could have used to assemble support for whatever European strategy he had pursued. First was its presentation, by Schuman and pro-community members of each governing party, as a fait accompli. Confederalist skeptics were reluctantly persuaded that the ECSC was the best deal that could now be obtained to control the Ruhr. Second was pressure for coalitional cohesion. Fear that an ECSC defeat would dislocate the Third Force encouraged ratification. Third was a blatant side payment on colonial policies to traditionalist Radical opponents. The overall pattern was a gradual shift of skeptics in several parties to join their party's group of spontaneous ECSC champions.

MRP support was never in question. Despite many members' hesitations, the party's "monolithic" organization permitted little internal debate. Schuman had direct control of official foreign policy positions.[110] The Socialist rally was not so easy. Most members joined their handful of strong ECSC supporters only with "serious misgivings and reservations."[111] In fall 1950, late British attempts to divert the ECSC discussions into the Council of Europe had attracted strong Socialist support.[112] But the party's ECSC champions, above all André Philip, argued that even if the ECSC was imperfect, the party could not block progress

108. The proportional representation system of 1946 was altered to allow alliances among lists. An alliance of lists receiving 50 percent or more of votes in a department received all its seats. Since the Communists and Gaullists refused alliances, they were disadvantaged. Together they received 47 percent of the vote, but only 221 of 625 seats. Without the new rules, the PCF and RPF would have had 325 seats, or an absolute majority of 13 seats. Had the RPF made alliances, it would have received more than 200 seats by itself. Elgey, *Histoire,* 1:637; François Goguel-Nyegaard, *Géographie des élections françaises sous la Troisième et la Quatrième Républiques* (Paris, 1970).

109. The Socialists lost a fifth of their electorate of 1946 but maintained their seats at 104.

110. "Monolithic" is Gordon Wright's term for the MRP organization, which he categorized with Communist parties. Control of party positions was given to ministers (like Schuman) rather than party administrators. Wright, *The Reshaping of French Democracy* (New York, 1948), 65–77; Grosser, *Quatrième,* 121; Capelle, *MRP,* 20–26.

111. Haas, *Uniting,* 116; Pierre-Oliver Lapie, *De Léon Blum à de Gaulle* (Paris, 1971), 408; Criddle, *Socialists,* 46–55.

112. Socialist ex-premier Paul Ramadier argued that "[i]f the realization of our program were bought at the price of loosening our ties with England, it would have been a thousand times better that this idea be reserved for better times." SFIO Secretary-General Guy Mollet, minister responsible for the Council of Europe since July 1950, said in November that integration would happen "with Britain or not at all," and that "[n]obody could advocate in the French Parliament a European union that consisted essentially of our former enemies, Germany and Italy." Poidevin, "Rôle," 106. See also Massigli, *Comédie,* 222–25; Herbert Luethy, *France against Herself* (New York, 1955), 386.

in European unification, nor oppose ensuring the supervision of the Ruhr. Mollet finally decided that he agreed, and party discipline was engaged to enforce a coherent vote.[113]

A similar but more difficult process won over the centrists. The centrist champions of the ECSC (Radicals René Mayer, Yvon Delbos, Maurice Faure, Félix Gaillard; UDSR René Pleven, Eugène Claudius-Petit) worked with Schuman to persuade their Anglophile confederalists and anti-German traditionalists that the ECSC now offered the strongest possible controls over Germany.[114] At this point, argued Schuman, renegotiation could lead only to an even weaker arrangement. As one Radical deputy told me, this argument was effective: "By 1951, many who disliked the ECSC couldn't see how they could obtain a better arrangement. They complained Monnet had given away too much, but they recognized that at least the ECSC gave us certain advantages. We couldn't go back and start over."[115] To the Anglophiles, Schuman also portrayed the ECSC as the only sure way to keep hopes of uniting Europe alive and promised that Britain would be associated with the ECSC and any subsequent steps among the Six.[116] To win over the Radical traditionalists, he made a major side payment. Against his personal preferences, he secretly promised a harsher colonial policy in Tunisia.[117]

Schuman still needed support from most of the ninety-six Independents and Peasants. This loose collection of small groups, organized around personalities, disagreed over the ECSC even within their component grouplets.[118] Pro-ECSC figures like Paul Reynaud, Antoine Pinay, and André Mutter persuaded confederally minded skeptics like Joseph Laniel, Émmanuel Temple, and Roger Duchet to maintain the majority. Other conservatives remained faithful to business positions. Their attacks mingled with those of Gaullists and Communists: the ECSC was a capitulation to German industry, "Sovereignty cannot be delegated," "Nations are realities. One cannot recast History."[119] When Schuman called a vote on a question of confidence, however—putting the coalition directly on the line—a larger number of conservatives rallied than expected, leaving only the most traditional twenty in opposition. Though the Assembly Commissions on Economic Affairs and National Defense recommended rejection, and a series of further conditions had to be attached to

113. Mollet interview in Elgey, *Histoire,* 1:556.

114. Poidevin, "Mayer."

115. Interview, a new Radical deputy, just elected in June 1951; later a senator. Paris, May 13, 1997.

116. Poidevin, "Rôle," 111; Willis, *France,* 100.

117. Elgey, *Histoire,* 2:305; Bjøl, *France,* 175.

118. The ECSC's advocates stretched across the main divide, which pitted the faction behind Paul Reynaud and Joseph Laniel against that of Roger Duchet and Emmanuel Temple. Reynaud was joined by Antoine Pinay and André Mutter, of the latter group, in ignoring tight business ties to support the ECSC strongly. Bjøl, *France,* 188; Pierre Gerbet, "Les partis politiques et les communautés européennes sous la Quatrième République," in *La France et les communautés européennes,* ed. Joël Rideau (Paris, 1975), 87–91.

119. Grosser, *Quatrième,* 133; Bjøl, *France,* 204; Monnet, *Mémoires,* 426.

the measure to pass it, the treaty gained a majority of 376 to 240 (11 abstentions).[120]

As Haas notes, "Clearly, there was no 'majority' for integration among the French parties in 1951–1952; there was only an *ad hoc* alliance in which the separate converging party motives were far more important than either commonly held principles of French or European politics."[121] The pattern of these motives did not reflect coherent parties, however. For its early supporters across all the pro-regime parties, the ECSC was a historic step to frame the future in a new model of European relations. For the rest of the majority, the ECSC remained a second-best strategy, based on suspect ideas and imposed as a fait accompli. The shift to a Franco-German partnership in supranational institutions was an unfortunate choice that could well have been avoided. But since *some* coal and steel arrangement was necessary, and given coalitional concerns and side payments, a majority reluctantly accepted the first community plan.

CONCLUSIONS

The pattern and timing of French support for the ECSC allow me to make three points. First, French elites saw three broad European strategies as viable in 1950. Most business interests, some bureaucrats, and many politicians of right, left, and center preferred a traditional defense of the institutional status quo. This did not imply passivity, just a preference to pursue political and economic advantage without formal institutional developments. Other politicians and most bureaucrats favored a confederal option based on broad intergovernmental cooperation in the OEEC and Council of Europe. A third group wanted to tie France and Germany together in a fundamental way within new supranational institutions. If obstacles to the former two options existed, the same was true of the third. Counterfactually, there is no reason to think the former two groups misperceived the basic feasibility of their preferred paths.

Second, as Gerald Berk writes of a similar debate, these alternatives were "defeated in the realm of politics, not necessity."[122] The French chose the community project over defending the IAR or steps in the OEEC or Council of Europe not because a spontaneous majority demanded the former, but be-

120. The three other committees reporting (Foreign Affairs, Industrial Production, Labor) barely recommended ratification. Of the 205 votes in committee, exactly half (103) approved the treaty. Haas, *Uniting,* 118; Callot, *L'action,* 152. The Assembly conditions called for investments in coal and steel to balance German competition, canalization of the Moselle to boost French exports, and the primacy of French law over ECSC decisions. In March 1952 the Senate added conditions guaranteeing that French steel would enjoy the same profit margin as its competitors, that marginal firms be supported and the common market's opening be delayed, and that taxes and social charges be harmonized across the ECSC Six. The government's failure to pursue satisfaction on these points was later widely resented, as would be seen in debates on the European Defense Community.

121. Haas, *Uniting,* 123.

122. Gerald Berk, *Alternative Tracks: The Constitution of American Industrial Order, 1865–1917* (Baltimore, 1994), 21.

cause leaders asserted their own views in a divisive debate. Because party positions largely dissolved, Robert Schuman had the autonomy—not the mandate—to take a "leap in the dark" toward his interpretation of French interests.[123] The breadth of crosscutting debate across French parties suggests that Schuman could equally well have constructed support for confederal or traditional stances. The largely hostile attitudes of interest groups and senior bureaucrats to the ECSC make this conclusion unavoidable. Nor did skeptical politicians or other actors later warm to the ECSC itself. None of the main levers Schuman used to rally support—coalitional and party discipline, side payments, and the simple fait accompli—had any substantive relation to the ECSC's putative benefits.

My third point adds foreshadowing to underline the historical import of this first step to the EU. The later development of the community model depended on the ECSC's introduction of its ideas into European politics. The debates in 1950–51 showed that for many French elites, no objective imperatives forced a serious consideration of a community Europe. The following chapters show that subsequent pressures generated no such imperative either. In fact, the chances for a broad French shift to a community strategy soon *decreased.* Just after the ECSC's ratification in 1951, the coalitional pressures that aided its ratification dissolved over other issues. Realignment from the Third Force to a right–left cleavage split the parties with some pro-community advocates, rather than uniting them. Thereafter, assembling support for their strategy became much more difficult. In other words, the ECSC stepped through a window of opportunity in French politics. Had it come later or moved more slowly, the ECSC might have been as stillborn as the other community projects launched from 1951 to 1954. France, and Europe, might never have seen this path as a serious possibility.

As it was, the ECSC provided an institutional foothold that kept community projects alive through the coalitional shifts of the early 1950s. When pro-community leaders again found themselves in control of French foreign policy, in 1955–56, they were not starting from scratch. But by no means did the ECSC make later community steps inevitable. Schuman's initiative brought about the parting of the ways, but many more choices were necessary to select the way Europe would take.

123. As Gérard Bossuat concludes succinctly, the Schuman Plan "did not express the dominant thinking of French élites on European unity." *L'Europe des Français, 1943–1959: La IVe République aux sources de l'Europe communautaire* (Paris, 1996), 184.

TWO

The Battle Widens

> To speak of a European party, of a European majority, is in fact to pose the question badly. The European ideal does not unite parties. It unites men across the barriers of parties.
>
> MRP deputy JACQUES MALLET,
> "L'idée européenne et les partis politiques"

From 1951 to 1954, the parting of the ways around the Schuman Plan widened into the most divisive battle in twentieth-century French politics. The ECSC's creation in August 1952, though successful on its own terms, did little to resolve broader French debates over Europe. While even the Gaullists gradually agreed to respect the Community's rules within coal and steel, acceptance of these narrow sectoral rules forced little spillover into other elements of European cooperation.[1] Instead, the disagreements displayed over coal and steel were now repeated in other issue areas. France's community advocates, flush with success, launched a series of other supranational community proposals. Confederalists and traditionalists, now more wary, resolved to reframe French policies within their own views. The clash was exacerbated by the unrelated dissolution of the Third Force, which freed its members from coalitional pressure to agree.

The battle reached its height over the French proposal of a European Defense Community (EDC). The outbreak of the Korean War in June 1950 propelled German rearmament onto the European agenda. French elites reacted to this new problem with the strategies they had recently developed. Community advocates called for integrating German units into a supranationally run European Army. Confederalists preferred to allow German forces into a looser organization under Franco-British direction. Traditionalists either rejected German rearmament outright or accepted it in a standard alliance framework. Robert Schuman's continued control of foreign policy-making led to the negotiation of the EDC treaty, signed in early 1952.

This time, however, the community fait accompli did not successfully rally a majority. A coalitional realignment in spring 1952 liberated many confederalists and traditionalists from the weak unity imposed by the Third Force. Pro-community minorities in each party soon stood alone in defending the treaty.

1. On Gaullist respect of the ECSC rules, see Ernst Haas, *The Uniting of Europe: Social, Economic, and Political Forces, 1950–57* (Stanford, 1958), 260–68.

After what Raymond Aron called "the greatest ideological and political debate France has known since the Dreyfus affair," the French Assembly rejected the EDC in August 1954. An alternative confederal framework for German rearmament—turning the Brussels Pact into the Western European Union (WEU)—was quickly erected.

How does the EDC's failure matter in explaining European institution building? In expanding on the conflict over the ECSC, this debate exposed the French battle of ideas with still greater clarity. By introducing the community path, the Schuman Plan had introduced new European possibilities. The painful problem of German rearmament now aggravated crosscutting divisions over these plans. The result was a situation in which the different views of French interests pointed to French strategies (and European outcomes) as different as creation of a European Army on the one hand, and simple (if bitter) acceptance of German national rearmament on the other. This divergence was highlighted against the new backdrop of entirely unrelated right–left coalitional lines as of 1952. The new cleavage on Europe was laid bare for all to see.

Thus it is unsurprising that most existing explanations of European integration gloss over the EDC. Political scientists like Moravcsik or Haas, and historians like Milward or Lynch, imply through inattention that the EDC debates were an aside, not directly related to the economic interests that linked the ECSC, EEC, and later steps.[2] Historical work on the EDC has also tended to approach it separately from other European debates.[3] The major exceptions are the work of Paul Pitman and William Hitchcock, who present the EDC as part of the same objectively rational strategies that supposedly led to the ECSC and EEC. Rather than ignoring the EDC itself, they ignore the crosscutting nature of the debates that went on over it.[4] Only a few older French histories are sensitive to the actual political patterns the EDC engendered.[5] These oversights—ignoring the EDC entirely, or ignoring its patterns—form one of the most important errors underlying the common dismissal of ideas in EU history. The EDC battle, and its simultaneous echoes in other sectors (notably agriculture and health policies), expose the foundations of the story of France and Europe.

THE EUROPEAN DEFENSE COMMUNITY

All accounts agree that the French debate over German rearmament arose in response to massive geopolitical pressure. The outbreak of the Korean War in

2. Of these authors, Haas's 3 pages (of 552) are the most given to the EDC.

3. For a slightly dated review, see Philippe Vial, "Redécouvrir la CED," *Matériaux pour l'histoire de notre temps* 29 (1992), 9–16.

4. William Hitchcock, *France Restored: Cold War Diplomacy and the Quest for Leadership in Europe, 1944–1954* (Chapel Hill, N.C., 1998); Paul Pitman, "France's European Choices," Ph.D. diss., Columbia University, 1998.

5. Two broad and detailed histories of Fourth Republic politics are entirely consistent with my argument: Georgette Elgey, *Histoire de la Quatrième République,* 2d ed., 4 vols. (Paris, 1993), and Paul-Marie de La Gorce, *Apogée et mort de la Quatrième République* (Paris, 1979).

late June 1950 led quickly to an American decision, in July, that Western Europe's defense was not viable without West German rearmament. At first, all French politicians agreed that this was unthinkable only five years after Hitler's defeat. French public opinion was outraged at the very thought. The British, who thought American fears of a Soviet attack in Europe overblown, concurred. But by September, American pressure had convinced the British to accept mobilization of German divisions in NATO. The French were isolated but still stonewalled. "Never," said Socialist defense minister Jules Moch, "will the French government accept a rearmament of Germany, no matter how limited."[6]

Then, under continued pressure, French leaders began to diverge. Jean Monnet, reasoning that only a more constructive French position could prevent the rearmament fight from sinking the ECSC negotiations, sparked a proposal for a European Army plan on the ECSC model. Confederalist policymakers showed willingness to consider a European force but insisted on limited German participation and tight partnership with Britain. Traditional thinkers either continued to reject any German rearmament or argued that U.S. plans for straightforward German divisions were the most acceptable option.

These strategies were all viable in international bargaining. The first option led to the EDC treaty in May 1952. It was soon ratified by its other members and was strongly supported by the United States. This huge step in federal-style unification was for France to choose or reject. We know the confederal option was equally viable, since (as the next chapter relates) its WEU solution emerged quickly and easily after the EDC's defeat. A traditional solution, for German rearmament without new institutions, was also clearly feasible, since from fall 1950 through summer 1951 the French alone opposed it against American and European pressure. Ceteris paribus, the French were selecting between outcomes as different as a European Army and simple German entry into NATO.

As with the ECSC, only aggressive pro-community leadership selected the EDC over these other options in defense. But in a departure from the ECSC pattern, unconnected coalitional shifts then deprived the EDC's champions of leverage to ratify it.

Origins

The EDC originated much less decisively than the Schuman Plan. Even for the most pro-community French politicians, military integration with Germany was much harder to envision than economic integration. Through fall 1950, Robert Schuman and most of his collaborators still shared confederal-style hopes that Germany would not gain ECSC-style "equality" in defense and that defense projects would include a British counterbalance. Their initial plan thus

6. Elgey, *Histoire,* 1:570.

combined community and confederal aspects and initially attracted uneasy confederalist support. Only in 1951, when it became clear that France had to choose again between British participation and supranationalism, did Schuman shift to pursue the latter.

Like the ECSC, the EDC idea emerged in secret studies initiated by Jean Monnet. His aides began work on an ECSC-style defense project in early September 1950.[7] Monnet regretted this as "premature at best," but thought that given U.S. pressure, France had little choice; otherwise German rearmament in a national framework could be only briefly delayed.[8] By mid-September, Monnet had sold his idea to Schuman and Hervé Alphand (appointed to head the French NATO delegation) and to new prime minister René Pleven (UDSR).[9] In an "internal conspiracy" kept secret from Defense Minister Moch (SFIO) and Finance Minister Petsche (Indep.), they prepared their plan in early October.[10] The Pleven Plan would be cast as an alternative to major German rearmament. It proposed a joint European Army under ECSC-style institutions (a High Authority and Council of Ministers, sharing the ECSC's court and assembly), with a common budget and procurement. Each member-state except Germany would contribute part of its military forces, which would then be integrated with German units at the battalion level (800–1,200 men).[11]

When Pleven sought Cabinet approval in mid-October, the ministers were so reluctant that a decision was deferred for two weeks.[12] Only a new round of American threats—to the effect that without German troops, the United States would defend Europe on the Rhine, not the Elbe—convinced the Cabinet to allow Pleven to present his plan to the Assembly.[13] Pleven's speech on October 25 emphasized three themes. First, France flatly rejected the creation of German divisions. The new plan was very different, minimizing German troops and subjecting them to European command. Second, it simply marked a logi-

7. Étienne Hirsch, *Ainsi va la vie* (Lausanne, 1988), 111; Gérard Bossuat, *L'Europe des Français, 1943–1959: La IVe République aux sources de l'Europe communautaire* (Paris, 1996), 192.

8. Jean Monnet, *Mémoires* (Paris, 1976), 401.

9. Pleven, who replaced Bidault as premier in July 1950, had been Monnet's aide in interwar financial negotiations. Elgey, *Histoire,* 2:269; François Duchêne, *Jean Monnet: First Statesman of Interdependence* (New York, 1994), 228; Edward Fursdon, *The European Defense Community* (London, 1980), 87.

10. T. A. Schwartz, "John J. McCloy and the Allied High Commission in the Federal Republic of Germany," Ph.D. diss., Harvard University, 1985; John Gillingham, *Coal, Steel, and the Rebirth of Europe, 1945–1955* (Cambridge, 1991), 263; Irwin Wall, *L'influence américaine sur la politique française, 1945–1954* (Paris, 1989), 288.

11. Jules Moch, *Histoire du réarmement allemand depuis 1950* (Paris, 1965), 93.

12. Socialists Moch and President Vincent Auriol were most opposed, arguing that reviving a German military on any level would doom German democracy and aggravate East–West tensions. The very Europeanist but Anglophile Socialist education minister, Pierre-Olivier Lapie, supported the plan but came to oppose it when it became clear the British would not participate. MRP, Radical, and Independent ministers were also mostly critical. Pierre-Olivier Lapie, *De Léon Blum à de Gaulle* (Paris, 1971), 354. René Massigli, *Une comédie des erreurs, 1943–1956* (Paris, 1978), 252; Armand Clesse, *Le projet de CED du Plan Pleven au "crime" du 30 août* (Baden-Baden, 1989), 31; Pierre Mélandri, *Les États-Unis face à l'unification de l'Europe, 1945–1954* (Paris, 1980), 300.

13. Fursdon, *European,* 88.

cal expansion of the Schuman Plan. Third, British participation would be aggressively pursued.[14]

Given this emphasis on German limits and British membership, only the most inveterate traditionalists among the Communists, Gaullists, Independents, and Radicals rejected the plan outright. Figures like Édouard Daladier (Rad.) presented "a repetition of what [they] had to say about the Schuman Plan," emphasizing the dangers of cooperating with Germany.[15] But by accepting stronger anti-German language and engaging coalitional pressure on a question of confidence, Pleven rallied almost all of the Third Force. The resultant resolution showed little enthusiasm for a European Army: "The National Assembly [approves] the declaration of the government and notably its will not to permit that a German army or general staff be recreated."[16] Pleven later said he "could not have gone an inch further" with Assembly support.[17] One scholar summarizes, "[T]he motion was more a vote of opposition to an autonomous German army than a clear endorsement of the Pleven proposal."[18]

Negotiations

Community-confederal agreement lasted only as long as the international talks remained in impasse, from October 1950 through June 1951. During this period the Americans refused to consider the Pleven Plan, and the French refused to budge from it. U.S. officials wanted as many German troops as possible, as soon as possible. They saw the plan as a dilatory tactic, believing (like French military officials!) that international integration at the battalion level was militarily infeasible.[19] French positions, meanwhile, were held hostage by Moch, the virulently anti-German defense minister. Moch himself saw the plan mainly as a way to delay German rearmament and was able to define French positions by repeatedly threatening to provoke a coalitional crisis. With support from much of the Cabinet, his ministry's officials, and the top Quai diplomats, Moch refused to discuss German units above the battalion level.[20]

Alphand, the head French negotiator, attempted a compromise in December 1950. France would accept German "combat teams" of five to six thousand men; the Americans would support two simultaneous tracks of talks, one within

14. *Journal Officiel,* October 25, 1950, 7219–25; Jules Moch, *Une si longue vie* (Paris, 1976), 425.

15. Francis O'Neill, *The French Radical Party and European Integration* (London, 1981), 55.

16. Elgey, *Histoire,* 2:273. The vote was 343 (MRP, SFIO, Radicals, UDSR, most Independents) to 225 (Communists, Gaullists, remaining Independents).

17. Fursdon, *European,* 88.

18. O'Neill, *French,* 55.

19. Moch's military counselors thought the plan "monstrous." Paul Stehlin, *Témoignage pour l'histoire* (Paris, 1964), 348; Bossuat, *L'Europe,* 194; Mélandri, *États-Unis,* 301–6.

20. For Moch, the main attraction of the Pleven Plan was that it "will gain us months, perhaps even years!" of delay before any German rearmament. Moch, *Longue,* 420–28.

NATO and one on the Pleven Plan basis. The Americans agreed, but in Paris Moch rejected the deal and threatened to bring down the government. Pleven's entreaties persuaded him to stay, but at the cost of allowing him continued control of French positions.[21] The impasse quickly returned. The British refused to join the "supranational" Pleven Plan talks. The Dutch followed them. Even the Germans, Italians, Belgians, and Luxembourgers participated with little interest.[22] Moch's positions confirmed their view that the Pleven Plan remained a stalling tactic. The main French submission focused on limits on Germany, with none of the Schuman Plan's language of equality. It argued that a common army should be built in "successive stages," but that it was "neither possible nor useful to define the later stages at this point."[23] Meanwhile, the French rejected the report from the NATO track of the talks, which recommended 250,000 German troops in twelve army divisions, a 600-plane air force, and a naval force, all under NATO command.[24]

The impasse was broken when both American and French positions were suddenly revised in June 1951. On the American side, Jean Monnet convinced NATO chief Dwight Eisenhower—long an advocate of European integration—that a European Army solution stood the best chance of acceptance in France. Eisenhower in turn convinced President Truman, and by the end of June the Americans agreed to focus exclusively on the Pleven Plan track.[25] On the French side, Assembly elections on June 17 led to a coalitional reshuffle. An emerging battle over religious schools convinced the Socialists to leave the government (though they stayed in the majority). Moch's departure left Schuman and Alphand freer to define their positions.[26] Even before the new Cabinet formed, Alphand (nudged by Monnet) fashioned a new basis for the talks.

Alphand drew up an interim report on the Pleven Plan talks that recast the entire exercise. It offered such substantial changes on German troops and status that the Germans and Americans became much more enthusiastic for a European Army.[27] The new draft was filled with references to supranationality, equality for all countries, and the goal of "superimposing a broader European patriotism over national patriotisms." It provided for negotiation of an additional "European political authority" to guide the army. It introduced (at Mon-

21. Elgey, *Histoire,* 2:275.

22. Achille Albonetti, *Préhistoire des États-Unis de l'Europe* (Paris, 1963), 109.

23. Ibid., 143. For memo text, see Elgey, *Histoire,* 2:280.

24. Clesse, *Projet,* 39; Fursdon, *European,* 117.

25. Massigli, *Comédie,* 282; Monnet, *Mémoires,* 419–21; Fursdon, *European,* 117; Elgey, *Histoire,* 1:574, 2:287; Duchêne, *Monnet,* 231; Pascaline Winand, *Eisenhower, Kennedy, and the United States of Europe* (New York, 1993).

26. The Third Force survived the elections, but the new Assembly immediately began a debate on religious schools that split the Socialists and Radicals from the MRP. After a monthlong crisis, Pleven promised that he would not propose any projects on schools, and his government reemerged without Socialist ministers (but with Socialist support). The new defense minister was Georges Bidault (MRP)—no fan of a supranational army but less directly hostile to Schuman's agenda.

27. Elgey, *Histoire,* 2:293.

net's suggestion) the "European Defense Community" label.[28] The community's High Authority (soon renamed the Commissariat to downplay its powers) would now be "endowed with the quasi-complete attributes of a Defense Ministry."[29] Additionally, Alphand agreed to full German divisions (ten to twelve thousand men), integrated internationally at the corps level.[30] A month later, Schuman accepted that with the creation of the European Army, the occupation of West Germany would formally end.

Alphand consulted no one in Paris besides Schuman and Monnet on this shift.[31] No further major domestic consultations would take place until the treaty was nearly finished, in early 1952. In the interim Alphand and Schuman again made France into the main champion of a supranational format. This led to a replay of the institutional bargaining on the ECSC. The Dutch, who finally joined the talks in October 1951 for fear of being left out, again opposed supranationality. At their insistence, the Commissariat's powers were cut back in late fall 1951, bolstering the EDC's Council of Ministers. The supranational Commissariat nonetheless kept responsibility for military command and procurement for the whole European Army. Additionally, at least 15 percent of each country's contribution to the EDC budget would have to be spent in other countries.

Substantive bargaining also replayed the ECSC pattern, with the French negotiators conceding away earlier French positions. By November it was agreed that the EDC would comprise 500,000 men in forty-three "national groups" (divisions).[32] Twelve divisions would be German, as the United States had originally hoped. The perennial French precondition of a Saar settlement was dropped. The French agreed to Contractual Agreements to repeal the Occupation Statute, abolish the Allied High Commission, and transfer full control of internal and external affairs to Bonn.[33] Most importantly, having ruled out British participation by emphasizing supranationality, Schuman now failed to extract British guarantees to support the EDC from outside. The British refused any permanent commitment to link units to the European Army. They promised only to extend the Brussels Pact automatic assistance clause to all of the EDC and to consult with France if Germany sought to secede from the EDC.

In the final negotiations in Bonn in May 1952, Schuman was visibly distressed. Secretary of State Acheson wrote, "In [the previous NATO Council meetings in] London and Lisbon he had obviously not been in assured com-

28. Ibid., 2:295. Moch said to Alphand of the new version, "If the European Army project remains as you have described it, it will have no greater adversary than me." Moch, *Histoire*, 279.

29. Jacques Van Helmont, *Options européennes, 1945–1985* (Brussels, 1985), 41.

30. An army corps combines several divisions. In this case, each European corps would include three to four divisions of different nationalities.

31. Elgey, *Histoire*, 2:295.

32. They were called "national groups" so French leaders could continue to say that they had avoided the creation of German divisions.

33. With important reservations on Berlin, the stationing of Allied forces, "crises of the liberal-democratic regime," and any eventual peace settlement.

mand of French foreign policy. In Bonn he seemed not even to be in control of his own ministry and was obviously tired, nervous, and depressed."[34] A rebellion was emerging at the Quai d'Orsay, with the top diplomats showing "undisguised hostility" to Alphand's negotiating positions well before the treaty signature.[35] Opposition was developing in the military and in business. A February Assembly debate on the principles of the treaty had gone badly (see below), obtaining a narrow majority only given conditions (notably on British participation) that Schuman had failed to obtain.

As in coal and steel, Schuman and his collaborators had pursued a community solution in defense without much direct support. This time, however, the disconnected politics of coalition building shifted to bar the way to ratification.

The Coalitional Shift

Widespread hostility to an ECSC-like European Army had already been clear in the initial debates over the Pleven Plan. Schuman and Alphand's strategic shift in 1951 had since confirmed the fears of early skeptics. Through early 1952, however, the same coalitional pressures that delivered the ECSC's ratification muffled open attacks on the EDC within the Third Force. When those pressures disappeared, the French party system split open at its new ideational seams.

From January to March 1952, the Third Force fell apart over religious schools and economic policies. The Socialists withdrew from the majority in January, punishing Pleven for breaking his earlier promise to block the funding of religious schools. Around the same time, a worsening payments crisis convinced the Independents to reject any coalition with left-leaning spending priorities. The result was a major realignment from the heterodox Third Force to a right–left cleavage. In March, a center-right majority formed behind the austerity program of Independent Antoine Pinay. Pinay, though an EDC supporter, had to rely on votes from a splinter group of dissident Gaullists.[36] He and Schuman (who remained foreign minister) decided to wait on the EDC's ratification, hoping that greater support could be assembled in time.[37] This proved a very poor bet. Pinay was replaced by René Mayer (Radical) in early 1953.[38] Mayer's ties to conservatives still ruled out Socialist support. Though also a champion of the EDC, he reached office only by bringing the full Gaullist

34. Dean Acheson, *Present at the Creation* (New York, 1969), 644.

35. Hervé Alphand, *L'étonnement d'être* (Paris, 1977), 228–30; Duchêne, *Monnet,* 253; Massigli, *Comédie,* 275–326.

36. This group of twenty deputies, behind Jacques Soustelle, were "dissidents" from de Gaulle only in agreeing to participate in a parliamentary coalition, which de Gaulle saw as propping up the weak Fourth Republic institutions.

37. The EDC question was avoided in the composition of the Pinay government. The dissident Gaullists hoped to force Schuman to leave the Quai, but the MRP refused their support in this case; the Gaullists thus dropped the issue for the moment, agreeing to join a coalition with pro-EDC leadership.

38. MRP members opposed his continued austerity, and the Gaullists feared that he would soon bring the EDC up for ratification. Lapie, *Blum,* 442–51.

contingent into the majority. They required the replacement of Schuman with the quietly anti-EDC Georges Bidault (MRP), as well as promises to modify the EDC treaty, toning down its supranationality and securing a Saar agreement.[39]

The Socialist departure and Gaullist entrance into the government erased any semblance of party positions on the EDC. Since the Socialists now engaged in open battles with the government on economic and social policies, Socialist critics of the EDC saw little reason not to attack on that front as well.[40] The presence of the fully anti-EDC block of Gaullists in the majority had similar effects. The EDC's critics among the Radicals, Independents, and MRP were egged on by their new Gaullist allies. Thus a coalitional shift around entirely unrelated domestic issues freed politicians to express their own views on Europe.

The Great Debate

No political majority, bureaucratic elite, or interest group coalition had driven the transformation of the Pleven Plan into the EDC. This became painfully clear as all of France was drawn into the public debate over the EDC from 1952 to 1954. Business, bureaucrats, and the military were all divided, but each was more hostile than favorable. In each Third Force party, first a traditional wing and then a larger confederalist group came out against ratification. The scattered community advocates were left isolated.

Business views of the EDC varied somewhat across industries. Differences partly reflected the impact of the "15 percent rule," directing a share of each state's EDC contribution outside its borders. French aeronautical and electronic industries expressed the main enthusiasm for the EDC, since German pledges not to produce aircraft or large armaments would shift German money their way. Yet even their support was erratic: some of their direct political representatives (like Gaullist deputy Marcel Dassault, of the aircraft firm) opposed the EDC for traditional reasons. Business opposition was led by steel and textiles, whose competitors in Germany and Italy would likely receive the French 15 percent. Besides these nuances, business was broadly opposed to the EDC for more general reasons. The treaty was widely seen as leading to a supranational Common Market.[41] The implication of near-term competition with the German "economic miracle" was flatly unacceptable to almost all of French business.[42] Though the CNPF—stung by defeat on the ECSC—took no official

39. Raymond Poidevin, "René Mayer et la politique extérieure de la France, 1943–1953," *Revue d'histoire de la deuxième guerre mondiale et des conflits contemporains* 34:133 (1984), 84.

40. Jacques Fauvet, "Birth and Death of a Treaty," in *France Defeats EDC,* ed. Raymond Aron and Daniel Lerner (New York, 1957), 163.

41. Jacques Vernant, "European Politics Face French Economics," in Aron and Lerner, *France,* 39–53; Henry Ehrmann, *Organized Business in France* (Princeton, 1957), 413; Carol Levy Balassa, "Organized Industry in France and the European Common Market: Interest Group Attitudes and Behavior," Ph.D. diss., Johns Hopkins University, 1978, 69–79.

42. Such fears seemed well justified at the time. From 1950 to 1954, Germany lowered protectionism and rapidly expanded exports, while France reinstated protection in 1951 and still suf-

position on ratification, its anti-EDC leanings were made clear in numerous statements.[43]

A large majority of French bureaucrats were opposed to the EDC by 1952, though important exceptions existed. A few scattered voices at the Quai d'Orsay supported Alphand.[44] One of the ministry's two general counsels (Lucien Hubert) supported the EDC. His partner (André Gros) declared it unconstitutional.[45] Secretary-General Parodi, Political Director Guy de la Tournelle, and Massigli in London openly objected to placing supranationality before British ties.[46] Other officials echoed more traditional criticisms. Press Service head Pierre de Leusse "oriented journalists toward neutralism or ultranationalism."[47] Jacques Bouchacourt, a young German specialist, organized violently anti-EDC meetings and lobbied numerous politicians against it. He lost his job for this in 1953.[48] In the economic ministries, the EDC was supported by Director of External Economic Relations Bernard Clappier, and by Thierry de Clermont-Tonnerre, head of the Interministerial Secretariat on European Economic Questions (SGCI).[49] But opposition was the norm, as it was in the Ministry of Industry and at the Atomic Energy Commission (CEA).[50] In January 1954, at a meeting called by anti-EDC Gaullists and Socialists, five hundred civil servants voted to condemn the treaty.[51]

The French military establishment, "although rapidly convinced of the necessity of German rearmament . . . soon became hostile to the European Army project."[52] A pro-EDC minority did exist, but as early as late summer 1951, the *Revue de défense nationale*—mouthpiece of the chiefs of staff—called for an "essential modification" of the plan. Their hostility focused on supranational integration of French forces.[53] By 1953, several of the most prominent military

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fered a balance-of-payments crisis; and investment in France stagnated while German investment reached four times the French level in 1954. Vernant, "European," 47–51.

43. After the ECSC ratification, the CNPF set up a working group with the announced purpose "not only to keep a close watch on the operations of the Luxembourg Community [ECSC], but also to prevent the spread of further authoritarian integration projects." Jean José Marchand, "A Tableau of the French Press," in Aron and Lerner, *France,* 102–27. See also Elgey, *Histoire,* 2:360; André Philip, "The Interplay of Interests and Passions," in Aron and Lerner, *France,* 24–38.

44. Director of Europe Jean Laloy, his deputy Jean-Marie Soutou, François Valéry in Economic Affairs, High Commissioner André François-Poncet, and Jean Sauvagnargues in German affairs. Interviews, Jean Sauvagnarques, Paris, May 7, 1997; Jean François-Poncet, Paris, May 15, 1997. Also F. Roy Willis, *France, Germany, and the New Europe, 1945–1967* (Stanford, 1968), 172.

45. Elgey, *Histoire,* 2:300; Bossuat, *L'Europe,* 205.

46. Massigli, *Comédie,* 340; Alphand, *L'étonnement,* 228–30; Duchêne, *Monnet,* 253; Vincent Auriol, *Journal du septannat,* 7 vols. (Paris, 1970–75), 7:470; Hitchcock, *France,* 177; Bossuat, *L'Europe,* 214.

47. Alphand, *L'étonnement,* 230.

48. Elgey, *Histoire,* 2:353.

49. Ibid., 2:352.

50. The very Gaullist head of the CEA, Pierre Guillaumat, feared the EDC would limit the development of a French atomic bomb. Elgey, *Histoire,* 2:327.

51. Ibid., 2:560.

52. Claude d'Abzac-Epezy and Philippe Vial, "French Military Elites and the Idea of Europe, 1947–1954," in *Building Postwar Europe,* ed. Anne Deighton (New York, 1995), 1–20.

53. D'Abzac-Epezy and Vial, "French"; Pierre Guillen, "Les chefs militaires français, le réarme-

figures had publicly denounced the treaty's threat to French sovereignty. Chief of Staff Marshal Juin, after initially putting down a movement of young colonels to resign over the EDC, criticized it in 1953 and publicly rejected it in March 1954. World War I hero General Maxime Weygand also attacked the treaty in 1953.[54]

Among politicians, the first major shift against the EDC came as the Third Force dislocated in early 1952. When the ephemeral government of Edgar Faure (Rad.) sought approval of the EDC's main lines in February 1952, traditionalists in each Third Force party made clear that they stood with the Gaullists and Communists.[55] A score of Socialists broke ranks, led by Jules Moch and three members of the party's *comité directeur* (Daniel Mayer, Max Lejeune, Robert Verdier). Even half a dozen MRP members rebelled against Schuman's control.[56] With the ten Radicals and thirty Independents and Peasants who opposed the Pleven Plan from the outset, this formed a substantial rebellion in the majority.

Still, even with the Gaullists and Communists, the EDC's traditional opponents composed only a third of the Assembly. Much more troubling were the confederal conditions another large block of deputies set on the February vote. SFIO leader Guy Mollet, though personally moving toward accepting the EDC "as is," led these demands in a bid to hold his party together.[57] He insisted on resolutions demanding close British association, oversight of the EDC by a European political authority, and military integration "at the lowest level possible" (avoiding German divisions). A large block of Radicals, Independents, and MRP echoed the same demands.[58] Even this resolution, with Faure engaging a question of confidence, passed only by 327 to 287.

Schuman's failure to obtain these conditions in the final treaty deal of May 1952 brought the second step to breakdown. Confederalists began defecting immediately. Among the Socialists, wider opposition to the EDC emerged at the party congress in May. Harsh traditionalist-style attacks had attracted new recruits on both the left and right of the party, and now the confederalist block joined them.[59] Pierre-Olivier Lapie, a very strong rhetorical advocate of inte-

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ment de l'Allemagne et la CED (1950–1954)," *Revue d'histoire de la deuxième guerre mondiale et des conflits contemporains* 129 (1983), 3–33; Jean-Christophe Sauvage, "La vision de l'Allemagne à l'IHEDN sous la IVe République," *Revue d'histoire diplomatique* 107:2 (1993), 97–118; Raymond Poidevin, "La France devant le problème de la CED: incidences nationales et internationales," *Revue d'histoire de la deuxième guerre mondiale et des conflits contemporains* 129 (1983), 35–57.

54. Philippe Vial, ed., *L'échec de la CED: leçons pour demain?* (Berne, 1996); Bossuat, *L'Europe*, 218; Elgey, *Histoire*, 2:560–88; Fauvet, "Birth," 151; La Gorce, *Apogée*, 128–38.

55. Pleven's government was unseated by the Socialists in January 1952 for standing aside as a right-wing coalition passed a law funding religious schools (loi Barangé). But by promising to index salaries on inflation, Faure soon reconstituted a similar government, again with Socialist support but not participation.

56. Deputies Monteil, Bouret, Denis, Billiemaz, Elain, and Aubin.

57. Byron Criddle, *Socialists and European Integration* (London, 1969), 64–66.

58. They were reiterated by the MRP Party Congress in May 1952. Fauvet, "Birth," 132.

59. Traditionalists in both wings based their main opposition on simple Germanophobia, but differed somewhat in other arguments. On the right, pro-NATO side, the twenty who had rebelled

gration, explained that "many who were partisans of Europe did not want it built on this sort of foundation."[60] Like Massigli at the Quai, he saw a Europe without Britain as inconceivable. At least a third of the 104 SFIO deputies took similar positions. By the next Assembly debates in November 1953, 42 Socialists bucked party discipline to oppose the EDC. Secretary-General Mollet, meanwhile, had decided in 1952 that supranationality was the only path to "real" integration, despite his Anglophilia.[61] He threatened to expel any member who publicly criticized the EDC.[62] Criticism was so widespread, however, that he had to relent. At a special congress on the subject in May 1954, 59 deputies signed an attack on the treaty.[63] Mollet controlled the congress enough to win a rank-and-file vote, but his victory was hollow. Over half his deputies, and over a third of his *comité directeur*, were solidly against the EDC.[64]

The same pattern played out among the centrist Radicals and UDSR. In addition to the 10 early opponents of the Pleven Plan, about 30 of the almost 90 centrist deputies subordinated their vote in February 1952 to the confederal conditions. Leaders like Pierre Mendès France (Rad.) and the president of the UDSR Assembly group, Édouard Bonnefous, insisted above all on closer ties with Britain to balance Germany.[65] The other half of both Radicals (led by René Mayer) and UDSR (led by Pleven) argued for the treaty without conditions. As in the SFIO, these divides worsened over time. The Radical Congress in October 1952 consecrated an anti-EDC alliance behind the traditionalists Daladier and Hérriot (president of the Assembly).[66] The confederalists joined them in 1953. Calling the EDC "A threat to the very idea of Europe," Bonnefous proclaimed, "Abandon sovereignty in a true community of free nations,

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in February 1952, led by Jules Moch, Daniel Mayer, Max Lejeune, Robert Verdier, and Robert Lacoste, now numbered about thirty. They were most opposed to large-scale German rearmament and hostile to surrendering control of the French Army to supranational institutions. On the left side, about ten "neutralists" (Lucien Weitz, Claude Bourdet, Jacques de Galard, François Leenhardt) were similarly anti-German but more anti-American and saw German rearmament as a move that threatened the Soviets and East–West peace. Criddle, *Socialists*, 58; Rubens Pinto Lyra, *La gauche en France et la construction européenne* (Paris, 1978), 45–54.

60. Lapie, *Blum*, 476.

61. Mollet had been skeptical of the ECSC's break with Britain but was also an early and consistent supporter of supranationality. By 1952, he realized he had to choose between Britain and supranationality and was thereafter a strong supporter of community plans. Personally, he faced strong incentives against pushing the community model, as Duchêne notes: "He was a classic party boss, for whom the unity and strength of the Socialist Party were sacrosanct. The EDC had split the party down the middle. . . . Yet his support for European proposals never wavered." Duchêne, *Monnet*, 267. Moch wrote that Mollet was "fanatically favorable to the EDC, in which he saw an extension of the ECSC, a step toward European unity." Moch, *Longue*, 477.

62. Mollet's support in the *comité directeur* came from some of his normal enemies, notably André Philip, who was Mollet's "bitterest critic" except on European affairs. Kevin Featherstone, *Socialist Parties and European Integration* (New York, 1988), 115.

63. Criddle, *Socialists*, 67–71.

64. Mollet prevailed owing to overrepresentation of several pro-EDC regional federations (above all his own fief around Lille) at the rank-and-file level.

65. Pierre Guillen, "Pierre Mendès France et l'Allemagne," in *Pierre Mendès France et le rôle de la France dans le monde*, ed. René Girault (Grenoble, 1991), 39–54; O'Neill, *French*, 56–68.

66. The "two Édouards" were normally bitter personal rivals. Fauvet, "Birth," 132.

in a real Atlantic community, yes! In a true Europe, yes! Abandon sovereignty in the fictitious frame of a community of the Six—never!"[67]

The large block of conservative Independents and Peasants had already been divided in the ECSC vote. The EDC tore them further apart. Approximately 30 of the 147 conservatives (like Adolphe Aumeran, Pierre André, François Valentin, Louis Marin, Jean Crouzier, Georges Loustaunau-Lacau, Louis Jacquinot) had opposed the Pleven Plan early on. About 30 members, around Paul Reynaud, Pinay, Laniel, André Mutter, Jean-Michel Guérin de Beaumont, and Jean-Louis Vigier, remained strong EDC supporters through 1954. In between, a large block wavered. Over 1953, another 20 or 30 members came to oppose the treaty out of concerns for industry and sovereignty (like Raymond Boisdé) or for Britain's absence (like Emmanuel Temple and Jacques Bardoux). By summer 1954, the conservative grouplets had imitated the divisions of the Socialists and Radicals.[68]

The MRP, finally, was much more divided over the EDC than most accounts suggest. It too included strong EDC champions, lukewarm confederalists, and outright opponents.[69] The few traditional thinkers who had not defected to the Gaullists first asserted their criticisms in the February 1952 debates. André Monteil, Léo Hamon, André Denis, Henri Bouret, and a few others saw the EDC as a dangerous policy that would lead to German hegemony and greater East–West tensions.[70] These four were excluded from the party in 1954.[71] Much more prominent in the party were confederalist thinkers like Georges Bidault, who resented supranationality and the break with Britain. Bidault supported the EDC with obvious reluctance in February 1952, and was opposed to it by the time he replaced Schuman as foreign minister in January 1953.[72] Robert Buron (the perennial secretary of state for economic affairs) had similar views. He described the EDC privately in January 1953 as "the thing invented by Schuman," and in November 1953 wrote, "I've been hesitating for eighteen months."[73] Like Mendès France (whose 1954 government he would join, over his party's opposition), Buron thought the EDC would undercut French national power.[74]

This opposition across parties, reinforced by the hostility of most interest groups, bureaucrats, and the military, sealed the EDC's fate. In 1953, Premier

67. Assembly debates, *Journal Officiel,* 1954, 5242–48.

68. Erling Bjøl, *La France devant l'Europe* (Copenhagen, 1966), 188; Pierre Gerbet, "Les partis politiques et les communautés européennes sous la Quatrième République," in *La France et les communautés européennes,* ed. Joël Rideau (Paris, 1975), 77–99.

69. R. E. M. Irving, *Christian Democracy in France* (London, 1973), 174–75.

70. Willis, *France,* 142; *Journal Officiel,* 1952, 585–89.

71. Elgey, *Histoire,* 3:174.

72. Raymond Aron, "Historical Sketch of the Great Debate," in Aron and Lerner, *France,* 2–23; Alfred Grosser, "Germany and France: A Confrontation," in Aron and Lerner, *France,* 54–71; Fauvet, "Birth," 137; Elgey, *Histoire,* 2:329.

73. Elgey, *Histoire,* 2:365, 379.

74. See also Pierre Pflimlin, *Mémoires d'un Européen de la IVe à la Ve République* (Paris, 1991), 80; Pierre-Henri Teitgen, *Faites entrer le témoin suivant: 1940–1958* (Rennes, 1988), 443.

Mayer tried to negotiate the treaty changes demanded by his Gaullist supporters. The other signatories, annoyed that Paris was reopening the deal it alone had originally sought, conceded only "protocols" that slightly diluted supranationality. Similar pushes by Mayer's successor, Joseph Laniel (Indep.), and Foreign Minister Bidault were also rejected. In June 1954, finally, Pierre Mendès France (Rad.) assumed power at the head of the most anti-EDC government yet. An Anglophile critic of supranationality and self-styled pragmatist, "PMF" also failed to obtain a renegotiation. Exasperated, he called a ratification vote in late August 1954, announcing that the government itself would abstain.

In a near-hysterical atmosphere on August 30, the Assembly voted 319 to 263 to shelve the treaty without a formal debate. Fifty-three Socialists voted against the treaty and 50 for (1 abstention). The Radicals and UDSR split 44 for, 41 against (3 abstentions, plus the nonparticipation of a dozen Radicals in the government). The Independents and Peasants voted 79 for, 44 against (24 abstentions), and the MRP held together to vote 80 for, 4 against (4 abstentions). The house erupted in a cacophony of joy and recriminations. Mendès France proclaimed, "The axiom of French policy must be to stick to Great Britain."[75]

The vote cut across not just parties but deputies' regional affiliations as well. "Dynamic France" of the northeast voted slightly less for the EDC than "static France" of the southwest. Potentially more "internationalist" border regions split six to six, with three having an abstaining majority.[76] This fragmentation extended inside each party. Surprisingly, regional factors were weakest among the centrists and Independents, where loose party organizations and close ties to business or agriculture might have favored a vote along regional-sectoral lines. Among the centrists, "[a] regional perspective . . . totally lacks any correlation with [deputies' advocated] objectives of foreign policy [on Europe]. If there is a correlation, it is negative, the most fervent Europeans representing regions where the advantages of integration are not immediately obvious."[77] Politicians divided even in the same district. Ten of the 18 departments with multiple Radical deputies split votes. Independents diverged in 11 of 20 multimember departments.

The much more disciplined Socialists had cleaner pockets of support and opposition, held together by local federations and party bosses. Only five of the nineteen multimember SFIO departments split votes. The largest block of positive votes came in Guy Mollet's personal fief in Nord/Pas de Calais, and several positive votes clustered around Gaston Defferre in Marseille. The several deputies of Vincent Auriol's home federation in Toulouse all voted against the

75. For the full debate, see *Journal Officiel,* 1954, 4454–73.

76. Daniel Lerner concluded that the regional pattern was "meaningless." Daniel Lerner, "Reflections on France in the World Arena," in Aron and Lerner, *France,* 198–225. For the regional distribution of party electorates, see François Goguel-Nyegaard, *Géographie des élections françaises sous la Troisième et la Quatrième Républiques* (Paris, 1970), 120–39.

77. Bjøl, *France,* 169. Also interview, Maurice Faure, Paris, March 11, 1998.

EDC, with the ex-president. But again, in terms of a larger pattern, Socialist deputies' endorsement or rejection of the EDC showed no regular geographical blocks or levels of regional development. Bjøl writes that if one were to try to explain the Socialist breakdown, "[o]ne would lose oneself in individual cases which permit almost no generalization."[78]

Explaining the EDC

Two recent pieces of scholarship attempt to explain the French pursuit and rejection of the EDC with standard structuralist arguments. William Hitchcock advances a geopolitical account. As with the ECSC, he argues, the French government pursued the EDC as the rational response to the Soviet threat, American pressure for rearmament, and concerns about controlling Germany: "Despite the twists and turns of the EDC story, French objectives remained consistent throughout: policymakers sought to limit German influence and sovereignty while at the same time bringing Germany into the Western alliance on terms favorable to France. During the two-year period [from 1952 to 1954], French government grew increasingly doubtful that the EDC furthered these goals."[79] These doubts followed directly from geopolitical changes between 1952 and 1954. The end of hostilities in Korea and Stalin's death in 1953 lessened Cold War tensions. The worsening Indochinese situation pulled most of the French army out of Europe, aggravating fears that German forces would dominate the EDC. Perhaps most importantly, as of 1952 the British signaled that another deal was available. In March 1952, British foreign secretary Anthony Eden proposed his "Eden Plan": the Council of Europe would become an umbrella organization for the ECSC and EDC, with the British sitting as observers on the the ECSC and EDC Councils. The details of this plan were far from clear, but it gave much encouragement to those in France who still hoped for a British counterweight to Germany within defense arrangements. For Hitchcock, these developments explain the French rejection of the EDC.

Paul Pitman offers an account based on the economic concerns of domestic coalitions.[80] The EDC emerged, he argues, as Third Force leaders attempted to defend their social budgets against American pressure for greater military spending. By sharing defense increases with their neighbors, the French could augment security while preserving their domestic agenda. When the Third Force disintegrated in religious and economic debates in early 1952, however, it was replaced by a conservative coalition with no such domestic concerns. The new majority saw little reason to suffer the EDC's sacrifices of sovereignty and eventually rejected the treaty.

If both of these arguments highlight important elements of the context for the EDC battle, both require an astonishing lack of attention to the actual lines of that battle in France. The EDC plan was obviously a response to geopolitical

78. Bjøl, *France,* 161.
79. Hitchcock, *France,* 169.
80. Pitman, "France's."

pressures, but only a minority of French elites thought it the best available response at any point from 1950 to 1954. Nor did geopolitical changes between 1952 and 1954 convince any major actors to change their position on the EDC. The figures who had championed a European Army amid general reluctance in fall 1950—Schuman, Monnet, Alphand, and their scattered supporters—remained convinced of its value in 1954. The two-thirds of the Assembly who rejected the EDC in 1954 had consistently indicated since 1950 that they opposed a supranational, equality-based, Britain-less defense arrangement. Geopolitical signals did not shift France from pursuit to rejection of the EDC. The shift concerned the individuals in control of French policy-making and the coalitional discipline they were able to exert.

Pitman's more nuanced argument encounters the same problem at the coalitional level. Pleven and his collaborators surely did see the EDC partly as a way to solve their domestic budgetary problems. Yet many of his Third Force allies confronted the same problems and sought to benefit the same constituencies but analyzed the situation differently. Within each Third Force party, similar members were split. If Pitman notes important elements of the reasoning of the EDC's supporters, he overlooks that a great many similarly placed individuals rejected this reasoning.

Instead, only the crosscutting ideas of traditional, confederal, and community models explain the pattern of French positions on the EDC. With the exception of the Communists, Gaullists, and certain industrial sectors that uniformly opposed the treaty, no organizational or regional affiliation was sufficient to cause certain views on the European Army plan. Nor were disagreements limited to a few mavericks in each part of the French polity; the main pattern of conflict cut across groups that normally acted together. On top of this concrete pattern of mobilization, massive interpretive evidence documents that these actors consistently explained their own behavior and that of their compatriots in terms of different beliefs. Besides the many statements cited above, consider the words of anti-EDC Socialist Alain Savary: "The Europeans displayed a kind of passion. They did not tolerate the smallest discussion. One was or one was not European. It was religion over ecumenism."[81] Pro-EDC Radical Maurice Faure said, "I have never seen so much passion in a parliamentary debate as there was over the EDC. Even in 1958, with the return of de Gaulle, or in May 1968, even the strong intensity of these debates did not translate the same passion, because with the EDC we were stirring up sacred things: the flag, the blood. . . . The verbal exchanges were very rough, one heard: 'You are a traitor!' . . . It took ten years to get over it."[82] Diplomat Massigli writes that as of mid-1952, "'Europeans' and 'anti-Europeans' confronted each other; it sufficed, to be treated as anti-European, to declare oneself opposed to federalist

81. Cited in Elgey, *Histoire*, 3:180.

82. Cited in Bruno Riondel, "Maurice Faure et la négociation des traités de Rome," in *Europe Brisée, Europe Retrouvée*, ed. Gérard Bossuat and René Girault (Paris, 1994), 347–62.

positions. Dissension took over the administration, notably that of the Quai d'Orsay. Because he preached prudence and drew attention to certain consequences of more extreme positions, the secretary-general, Alexandre Parodi, was criticized in the house [the Quai] and his authority was contested."[83]

The best-informed observers of French politics saw the conflict similarly. Georgette Elgey used "the Society of Europeans" as shorthand for the network of ECSC and EDC supporters, for lack of any other shared trait.[84] Raymond Aron referred to them as the "party of Europe," adding, "The difficulty seems to me to have been that for the theoreticians of Europe, the whole meaning of EDC was in its supranationality. They were more attached to this principle than to reality. On the other hand, the EDC opponents were more against the principle than against the reality. The former dreamed about a European State of the Six growing out of EDC; the latter imagined this with horror."[85] Daniel Lerner summarized that "the traditional universe of internal French politics, and the new universe of political sentiment evoked by EDC, simply do not coincide. More was involved."[86] This disconnected "new universe" was structured by the three models of French interests in Europe. Uncertain of how these new framing ideas attached to their previous alliances and identities, French elites found themselves bitterly divided around an entirely new cleavage. From the resultant chaos Schuman advanced one view but was then undercut by an unrelated coalitional shift. The first major attempt to expand on the community model was defeated.

COMMUNITY PROPOSALS IN OTHER SECTORS

The EDC was the most important early attempt to follow the path sketched by the Schuman Plan, but not the only one. French community advocates also called for supranational institutions in several other sectors. In two—agriculture and health policies—serious international discussions resulted. Both proposals soon failed, most directly due to the same coalitional shift of March 1952. If their historical impact was small, they warrant mention as evidence that the European debates echoed across other functional issues.

The Pflimlin Plan and the Green Pool

Before 1950, French plans for international agricultural cooperation focused either on bilateral export contracts or on product-specific multilateral deals in the OEEC or Council of Europe (parallel to plans for industrial "specialization").[87] But the British were hostile to such ideas, and the Dutch—Europe's

83. Massigli, *Comédie,* 340.
84. Throughout Elgey, *Histoire.*
85. Aron, "Historical," 20.
86. Lerner, "Reflections," 207.
87. This section largely summarizes the work of Milward and Gilbert Nöel, who detail the Green Pool episode—but without emphasizing the parallels to other European debates.

other major agricultural exporter—wanted a more liberal regime. Constant discussions produced no deals by 1950.

"It was into this situation," Milward writes, "that Schuman's proposals for the Coal, Iron, and Steel Community [*sic*] erupted with dramatic effect."[88] French Agriculture Minister Pierre Pflimlin (MRP) saw Schuman's plan as perfect for the protectionist, cartel-like situation of European agriculture. Buoyed by widespread enthusiasm for agricultural cooperation, Pflimlin obtained Assembly support to call an agricultural conference. If French agricultural organizations liked specialization and cartels, however, they soon decided that supranationality was another thing entirely. There was no need, they argued, for major new institutions.[89] Even the most competitive producers wanted nothing more than a series of product-by-product export contracts between agricultural organizations. Wheat farmers drew up plans for a Franco-German wheat board (and nothing else); sugar producers argued that a multilateral common market in sugar "made no sense"; and the main farmers' lobbies (the Confédération générale de l'agriculture, CGA, and the Fédération nationale des syndicats d'exploitants agricoles, FNSEA) denounced supranationality.[90] Most Agriculture Ministry bureaucrats shared these views, though a few high officials—Pierre Maestracci, Louis Rabot—endorsed Pflimlin's project.[91]

These criticisms, and Monnet's request to move slowly so as not to upset the ECSC talks, led Pflimlin to a diluted initiative in late September 1950.[92] He proposed that there be a conference to study product-specific European Commodity Boards with some OEEC link—and that these bodies evolve toward "an institutional organization analogous in its structure and working rules to the High Authority [for coal and steel]."[93] This plan still met with "a cacophony of disharmonies" in France.[94] As on ECSC, Guy Mollet (SFIO) called for talks in the Council of Europe to ensure British participation.[95] Finance Minister Maurice Petsche (Indep.) insisted that the OEEC was the only framework for trade issues.[96] The FNSEA confirmed its hostility to the ECSC model.[97] So did several Quai diplomats. Pierre Baraduc, in the Quai's Economic Cooperation Service, argued that another community would reinforce the undesirable split between the Six and the rest of Europe (meaning Britain). "Little Europe" was

88. Alan Milward, *The European Rescue of the Nation-State* (Berkeley, 1992), 290.

89. Gilbert Nöel, *Du pool vert à la politique agricole commune* (Paris, 1988), 131–9; Milward, *European*, 290.

90. Milward, *European*, 293. The largest and most competitive wheat producers of the Parisian basin dominated the FNSEA, but they opposed liberalization as well.

91. Both had worked on agricultural issues for Monnet at the Plan.

92. Monnet wrote, "We must not try to do everything at once." Gérard Bossuat, *La France, l'aide américaine et la construction européenne, 1944–1954* (Paris, 1992), 786.

93. Milward, *European*, 293. See also Irving, *Christian*, 154.

94. Milward, *European*, 294.

95. Nöel, *Pool*, 149.

96. Ibid.

97. Milward, *European*, 294.

too small a framework for French exports anyway. Instead, France should just concentrate on striking good bilateral wheat deals.[98]

International reactions were little more encouraging. Pflimlin's only support came from Dutch agriculture minister Sicco Mansholt, a devout Euro-federalist. Though Mansholt wanted a much more liberal plan than the French, the two ministers agreed to push together for an ECSC format.[99] But the British refused to discuss new institutions, and the Germans and Italians shared French farmers' preference for a protectionist deal without new institutions. These obstacles led Pflimlin, Schuman, Petsche, and Mollet to an odd compromise strategy in January 1951. France would call a conference. Invitations would go to all OEEC members (plus Spain), satisfying Petsche, the farming lobbies, and bureaucrats. At Mollet's request, they would be issued through the Council of Europe.[100] But in sending the invitations, Pflimlin attached a proposal that returned to his ECSC format. At the conference, he wrote, the French "will propose the creation of European institutions analogous in their structure and working rules to those of the coal and steel treaty."[101]

The developing French coalitional shift soon undercut Pflimlin's ambitions. Before the conference could be held, the French elections of 1951 cut the MRP's seats in half and bolstered the Peasant Parties. The latter made their support of the government conditional on their choice of agriculture minister. Though they were themselves divided over the "Green Pool," they replaced Pflimlin with a conservative farmer, Paul Antier, and then another, Camille Laurens, both of whom adopted the agricultural lobbies' views.[102] The conference was put on hold. Not until late 1951 did Pflimlin—now commerce minister—persuade Laurens even to schedule it. Nor could the French then agree on their own position for the meeting in March 1952. Pflimlin and Mansholt continued unofficial, transnational lobbying for a supranational plan. Monnet now weighed in against the OEEC framework, writing, "The current proposal is a danger for all the future of French policies; we must abandon it and substitute for it an agricultural pool of the Six."[103] At the same time, Laurens insisted to an Italian minister that nothing could be accomplished without Britain and that "France no longer wants to pursue the policy of the Schuman Plan."[104]

98. Bossuat, *France,* 786.

99. Milward, *European,* 296; Nöel, *Pool,* 146.

100. Nöel, *Pool,* 148, 247; Milward, *European,* 300.

101. French agricultural organizations were not consulted on the memo. Irving, *Christian,* 154; Nöel, *Pool,* 150–53.

102. On divisions on the community format within the Peasants, see Nöel, *Pool,* 427. Antier left the government over budgetary issues, but Laurens changed little. Irving, *Christian,* 143; Bossuat, *L'Europe,* 213.

103. Monnet to Jacques van Helmont, cited in Bossuat, *France,* 788. See also Monnet to Pflimlin, MAE (Archives Diplomatiques du Ministère des Affaires Étrangères), série DE-CE, vol. 524, "Lettre de Jean Monnet au Ministre chargé du Conseil de l'Europe," January 30, 1952.

104. MAE, série DE-CE, vol. 89, "Compte rendu des conversations entre C. Laurens, Min. de l'Agriculture et M. Gui, SSE italien à l'agriculture, Vérone," March 14, 1952.

Thus community advocates had lost control of French agricultural policy even before the March 1952 shift. That shift made it even less likely that they would regain such control, and thereafter the "Green Pool" slid steadily toward failure. The conference managed only to set up study groups. These met through 1952, cataloguing the governments' institutional disagreements.[105] Then the continued realignment under way in France delivered the coup de grâce. Pflimlin and Schuman both left the government in early 1953. New foreign minister Georges Bidault (of the same party) disliked the supranational pool but decided to let it languish rather than to kill it.[106] Agriculture lobbies continued to criticize a community plan, denouncing the ECSC model in early 1953 as "too heavy, too rigid, too authoritarian and dirigiste, and weighted toward consumer interests."[107] In the administration, Quai diplomat Olivier Wormser and Finance official Paul Delouvrier argued for "liquidating" the Green Pool by transferring it into an OEEC subcommittee.[108] This happened in July 1954, and grandiose agricultural plans faded away.

The White Pool

If the Green Pool was a "pale reflection of the Schuman Plan," the weaker French call for a community in health policies and pharmaceuticals was its shadow.[109] Health cooperation in early postwar Europe, coordinating health guidelines and product standards and sharing research, took place in the global framework of the World Health Organization (WHO) and in committees under the United Nations. But in September 1952, French health minister Paul Ribeyre (Peasant) proposed a European Health Community to the French Cabinet.[110] Ribeyre, the head of a group of very pro-community notables in rural Ardèche, explicitly hoped to imitate the Schuman Plan. "With a few changes," he announced, "the organization adopted by the European Coal and Steel Community will serve as a model." This "White Pool" would cover trade in pharmaceuticals and medical equipment, integration of medical research, and harmonization of standards and would plan and coordinate investment among the participating states.[111]

105. Nöel, *Pool,* 280–85.

106. Bossuat, *France,* 789.

107. FNSEA pamphlet, March 14, 1953, cited in Hélène Délorme and Yves Tavernier, *Les paysans français et l'Europe* (Paris, 1969), 20. See also Fédération nationale de la propriété agricole, *Du pool noir au pool vert: l'organisation européenne de la ruine de l'agriculture française* (Paris, 1952). Nöel, *Pool,* 425.

108. Bossuat, *France,* 790.

109. "A pale reflection" subtitles Bossuat's section on the Green Pool. *France,* 786.

110. MAE, série DE-CE, vol. 581, "Rapport de réunion de la chambre de commerce de Dijon," May 4, 1953.

111. Ribeyre expounded his community philosophy in a 1952 interview: "Henceforth, and it is in this that the extraordinary innovation of the Schuman Plan resides, treaties must not only create obligations but also institutions charged with enforcing them, which is to say supranational organisms endowed in a given sector with their own, independent authority." MAE, série DE-CE, vol. 524, dossier "pool blanc," "Entretien avec Monsieur le Ministre de la Santé et de la Population par X. Blanc-Bernard," October 3, 1952.

The Cabinet's reaction was muted. Schuman supported the general idea but worried that the EDC's ratification and the Green Pool left little political capital for a new community project.[112] He joined other ministers in suggesting that an OEEC meeting be called on the subject in late 1952. The White Pool had even less support from interest groups and the bureaucracy. In November 1952, Ribeyre received a very discouraging letter from Minister of Industry Jean-Marie Louvel (MRP). It would be impossible to legally distinguish health-related chemical products from other chemicals, he wrote. Furthermore, the chemicals used in pharmaceuticals change as research discovers new uses. A "health community" would thus be forced to liberalize trade in the entire chemical sector. This French producers could not risk. The same problem would occur in electrical medical equipment. The upcoming conference, then, should discuss only the cooperation on standards and research.[113] Louvel's critiques were seconded by representatives of the chemical, pharmaceutical, and medical equipment industries.[114]

Louvel succeeded at moderating Ribeyre's position at the OEEC meeting in December 1952. As with the Green Pool, a compromise French position was presented, suggesting only a potential evolution toward supranationality. But immediately after the meeting, Ribeyre and his aides reasserted their position. He circulated a 330-article draft treaty calling for immediate creation of ECSC-style supranational institutions. Unsurprisingly, this document drew harsh criticism from the rest of the bureaucracy. Olivier Wormser wrote,

> [T]his project does not coordinate very easily with the position taken by the French delegation at the Paris meeting of December 12–13. I recall that while marking his preferences for a system of supranational character, the representative of the French government [Ribeyre] did not make the adoption of such a system a condition sine qua non of further work. But not only is this draft treaty entirely founded on a system derived from the coal and steel plan, its authors only poorly dissimulate that they envision a supranational treaty that would be signed by the six members of the Coal and Steel Community.[115]

Wormser's letter coincided with the change of government in early 1953. As part of the shuffle ousting Schuman and Pflimlin, Ribeyre was replaced by the uninterested André Boutémy (Indep.), with a Gaullist undersecretary (Pierre Couinaud).[116] The draft treaty was shelved. An OEEC group of experts was convened, with no real results.

112. Pierre Pflimlin to Robert Schuman, November 18, 1952, MAE, série DE-CE, vol. 524, dossier "pool blanc."

113. Jean-Marie Louvel to Paul Ribeyre, November 8, 1952, MAE, série DE-CE, vol. 524, dossier "pool blanc."

114. For attacks by industry members, see MAE, série DE-CE, vol. 581, "Rapport de réunion de la chambre de commerce de Dijon," May 4, 1953.

115. MAE, série DE-CE, vol. 581, Wormser to Foreign Minister Bidault, February 9, 1953.

116. On the nationalist Boutémy, see Teitgen, *Faîtes,* 434.

A last attempt to revive the proposals was made when the very pro-community Paul Coste-Floret (MRP) became health minister in June 1953. But very few ministers in the new government shared his views. His MRP compatriot Bidault, now foreign minister, quickly put an end to it. Bidault wrote to Coste-Floret that the project was economically unworkable and politically unrealistic.[117] Instead, he argued, France should propose modest measures of health coordination in the Council of Europe. Coste-Floret reluctantly assented, though he complained that this left the plan as limited as earlier WHO cooperation.[118] Health issues were duly discussed in the Council of Europe in December 1953 and then disappeared in 1954.[119]

The failures of the Green Pool and White Pool are easy to explain. They attracted little support from interest groups or bureaucratic experts in France, and little international interest as well. The puzzle is why they were proposed and discussed to begin with. The answer, and the explanation for why both debates focused on institutional rather than technical issues, is that some French politicians strongly conceptualized French interests in diverse policy areas through the community model. A larger number of policy-makers preferred confederal formats or the status quo. As of 1952, coalitional shifts gave the latter an increasingly strong veto over French positions.

As confederalist diplomat Olivier Wormser lamented in 1954, "Green pool, white pool, transports pool,[120] so many areas where we made ambitious proposals and where we lacked firm intentions, a sense of the real, cohesion in our doctrine. Disoriented, our partners in the community of the Six no longer follow us."[121] A few months later he could have added the EDC to the list. The battle of ideas had brought France, and Europe, to a standstill.

CONCLUSIONS

In the years following the Schuman Plan proposal in 1950, French debates over Europe were strongly structured by the new strategy of constructing European "communities" and reactions to it. Rather than mobilizing through established channels of sectoral, regional, bureaucratic, and party interest aggregation, French actors further developed the different ideational models that had emerged in their discussions of the ECSC. Conflicts between advocates of these different framing ideas, not clashes between coherent organizations or groups,

117. MAE, série DE-CE, vol. 581, Bidault to Coste-Floret, August 4, 1953.

118. MAE, série DE-CE, vol. 581, Coste-Floret to Bidault, August 9, 1953.

119. MAE, série DE-CE, vol. 581, "Note," December 17, 1953.

120. French proposals for a European Transports Community were also advanced in 1950–52 but never became an official initiative. Formal talks remained in the OEEC, which created a Conference of European Transport Ministers in 1953. This still exists but has been overwhelmed by the EU. Internal French discussions of a "transports pool" continued in 1952–54 but then died out. See MAE, DE-CE 560, vol. 561; Archives Nationales (Fontainebleau), Ministère de l'équipement, série TT.

121. Bossuat, *France*, 792.

shaped debates over Europe across several issue areas. They achieved their greatest salience over the crucial material issue of German rearmament. This was not just another issue area; all French elites shared beliefs about the special nature of military sovereignty, and even the most pro-community figures were initially hesitant to propose integration and "equality" with Germany in security cooperation. But as options were formulated in 1950–51, the fundamental nature of the battle of ideas over Europe became clear. Even here, with basic French security at stake (as well as many political and economic relations inside France), French politicians mobilized in ways that cut across organizational affiliations. Similarly placed political elites used different vocabularies and called for different strategies; normally opposed figures on right on left, or across personal rivalries within parties, adopted the same discourses and positions.

The counterfactual importance of the EDC episode at the European level is obvious. The EDC came very close to succeeding. Had the talks proceeded slightly more quickly and French ratification been sought immediately (before the dislocation of the Third Force), many observers believe it would have passed the French Assembly as it had in other European capitals.[122] Had it been implemented, Europe would have taken a giant leap toward political unity, perhaps establishing the "common foreign and security policy" that still eludes today's EU. But the delay into late 1952 allowed unrelated shifts to erase the coalitional pressures necessary to ratify a community strategy. The EDC—along with the Green Pool and White Pool—was abandoned except by the pro-community minority.

The factual importance of the EDC episode, as a conflict without which we cannot understand the real historical course of European integration, is no less clear. Alone of all the major European projects, the EDC did not focus on economic policies (though it certainly would have affected them). Partly for this reason, most accounts of integration have set it aside, tracking patterns of economic concerns through the other steps. But this dismissal of an apparent outlier has led many scholars to miss the real political patterns at work in the steps they do examine, where the interpretive battles were slightly (and only slightly) less obvious. In general, they point only to material conflicts between organizational actors and groups, not ideological conflicts within them. As the remaining chapters will show, the battle of ideas did not disappear in the economic integration that followed the EDC. To the contrary: the new ideational commitments introduced around the ECSC had been widened and concretized in the bitter EDC battle, wedding French actors deeply to particular views of European projects. Thereafter the battle would be refought, repeatedly, on different terrain.

122. For example, Fauvet, "Birth," 134.

THREE

The Choice for the Community

> Where there is a political will, there are no insurmountable technical problems. Where there is no will, each technical problem becomes a pretext for the failure of negotiations.
>
> PAUL-HENRI SPAAK

Less than a year after the EDC's defeat, the French government entered into studies of supranational communities in trade (the European Economic Community, EEC) and atomic energy (Euratom). Treaty negotiations began another year later. By summer 1957 France had ratified the two Treaties of Rome. France and Europe had taken a major step down the path opened by the ECSC.

This chapter asks four questions about these developments. First, what were the European alternatives French elites perceived in 1955–56? Second, to what variation in European outcomes did various French strategies lead? Third and fourth, why was the French strategy that led to the EEC/Euratom selected and ratified?

The dominant explanations of this "relaunch" of integration downplay the first two questions.[1] With a few caveats and some ambiguous positions, they present these French choices and European outcomes as determined by objective factors.[2] A combination of geopolitical pressures and economic imperatives dictated the French pursuit of institution building, with ideology playing a marginal role. Rapidly increasing intra-European trade and rising agricultural surpluses led France to favor multilateral liberalization and agricultural arrangements rather than bilateral deals. A small Common Market of the Six

1. Moravcsik notes that the EEC "was only one of at least three broad alternatives considered at the time" (though he strangely characterizes an OEEC Free Trade Area and "liberalization through the sixteen member OEEC" as the two alternatives). But he then argues that other outcomes were not really possible given the objective constellation of interests. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998), 86.

2. Existing accounts either conflate ideology with geopolitics and argue that neither mattered much (as do the economic accounts of Moravcsik, Milward, and Lynch) or ambiguously portray leaders as "Europeanist" while explaining their behavior in terms of ostensibly objective economic, geopolitical, or electoral pressures. Alan Milward, *The European Rescue of the Nation-State* (Berkeley, 1992), 208; Frances Lynch, *France and the International Economy: From Vichy to the Treaties of Rome* (New York, 1997); Hans Jürgen Küsters, *Les fondements de la communauté économique européenne* (Brussels, 1986); Gérard Bossuat, *L'Europe des Français, 1943–1959: La IVe République aux sources de l'Europe communautaire* (Paris, 1996); Richard Griffiths, "The European Integration Experience: 1945–1958," introduction to Keith Middlemas, *Orchestrating Europe: The Informal Politics of the European Union, 1973–95* (London, 1995), 1–36.

allowed for more careful liberalization and more protection in agriculture than would wider OEEC solutions. It also provided a political platform for French leadership, which the Germans agreed to follow in return for reincorporation as a legitimate actor in European affairs. In atomic energy, a desire to secure funding for French research while supervising German efforts led to Euratom. By these logics French policy-makers found their way to the Treaties of Rome.

Again, these accounts overlook the real political patterns behind French policy-making on Europe, as well as the historical range of potential European outcomes. They capture the broad drives to French policies: by 1955, the objective signals of booming intra-European trade, growing agricultural surpluses, and expanding energy needs made most French elites see benefits in European cooperation in trade and atomic research. The geopolitical context of the Cold War still suggested incentives to such cooperation as well. But in 1955, few saw these incentives as pointing to a community format. A majority had disliked the ECSC and successfully fought off the EDC. Now the confederal and traditional alternatives they favored returned in full force. The Western European Union (WEU) replacement for the EDC was advanced as the forum for politico-military cooperation. The OEEC hosted proposals for various sectoral projects, including atomic energy. A new Franco-German bilateral framework promised narrower deals in trade, agriculture, and atomic cooperation.

Community proposals did not recapture the agenda thanks to new interest group, bureaucratic, or electoral support. The EEC plan became the object of international discussions only because French foreign minister Antoine Pinay (Indep.) ignored his government's instructions to reject it in 1955. The result of those studies, the Spaak Report, became the basis for treaty negotiations only because another unrelated coalitional shift gave full policy control back to pro-community leaders in 1956. Though Pierre Mendés France led the winning ticket in the January 1956 elections, coalitional jockeying made his electoral partner Guy Mollet premier. After wavering on the ECSC, the SFIO boss had committed strongly to community strategies during the EDC battle. In 1956–57, he stepped far beyond his own party, coalition, bureaucrats, and interest groups to pursue a new community deal. Rather than being lobbied by interest groups, Mollet's team lobbied them. In 1957, he secured ratification thanks to the reluctant agricultural support he mobilized and to his use of coalitional and party discipline, issue linkages, and side payments. The "society of Europeans" had dragged France to a major step along the community path.

How did French choices in 1955–57 matter for Europe? Still more than in 1950, the French were choosing how to organize the continent. France's partners still generally preferred a mixture of confederal or traditional projects; no government would have demanded a supranational "little Europe" if the French had not. Moreover, these institutional options now had major substantive implications. This was particularly clear in agriculture, where pro-community leadership deblocked the longstanding European impasse. The in-

stitutional agenda of such leaders led French farmers to perceive interests in a community format, not the other way around. Furthermore, the next chapter argues that had these leaders not pulled France to "little Europe" in the late 1950s, the window of opportunity for this outcome in European bargaining would soon have closed. The EEC and its Common Agricultural Policy (CAP)—the direct foundations of today's EU—arose only because Mollet opened and leapt through this window. Confederal or traditional French choices led to no major multilateral agricultural deal and to a Europe with a weak confederal skeleton or no central structures at all.

FRENCH STRATEGIES IN EUROPE, 1954–1955

The signals pointing to European cooperation seem to have been fairly clear in the mid-1950s, since even quite different French elites agreed on the technical issues their European policies needed to address. German rearmament, left in limbo after the EDC, was the most pressing problem. Most also saw incentives to international deals in armaments, atomic energy, oil, and transports. Armaments cooperation would achieve economies of scale to help the French military budget and could prevent an autonomous German arms industry. Atomic cooperation could obtain extra funding for French research and help supervise German programs. Increasing European dependence on oil and soaring intra-European transport needs suggested the benefits of collaboration. With few exceptions, French elites also shared basic views in trade. Agricultural cooperation was desirable, but trade liberalization was a long-term goal to be approached in slow, careful steps.

But elites' analyses of particular projects in these fields diverged sharply, along the tracks of earlier battles over Europe. This section surveys what French elites were proposing in 1954–55. It also looks at French views of trade liberalization, which attracted no French proposals in 1954–55 but is of obvious importance for what followed.

The Confederal Track

Unsurprisingly, the EDC's death reenergized confederalist plans for Europe. The supranational adventure over, France could now adopt a more pragmatic strategy. Confederalists saw rising economic and political incentives to cooperation with Germany, but still saw British participation as its condition sine qua non. As Premier Pierre Mendès France said in September 1954, "Franco-German reconciliation is a condition of political stability in Europe, and of its economic and social development. . . . But the birth of a loyal, real, and durable understanding would have difficulty in a tête-à-tête between the two nations; it is necessary to associate the neighboring countries, notably Britain."[3]

3. Paraphrased by Pierre Guillen, "Pierre Mendès France et l'Allemagne," in *Pierre Mendès France et le rôle de la France dans le monde,* ed. René Girault (Grenoble, 1991), 39–54.

The first step was to reframe German rearmament. The rapid emergence of a confederal plan underscored that alternatives to the EDC had been available all along.[4] Days after the EDC vote, Mendès France began secret consultations with the British. British foreign secretary Anthony Eden proposed that German rearmament proceed within an extension of the Franco-British-Benelux Brussels Pact.[5] A conference convened immediately. Four weeks later they signed the Accords of Paris creating the Western European Union (WEU). Its core was Britain's pledge to maintain four divisions and tactical air forces on the continent. The new organization kept the Brussels Pact's ministerial council, and added a consultative assembly that overlapped with the Council of Europe's Assembly. An armaments agency would oversee German production, and the Germans abjured the production of atomic, biological, or chemical weapons. At French suggestion, a working group would consider a more extensive WEU "armaments pool." Mendès France also accepted the restoration of full German sovereignty, German membership in NATO, and a referendum to decide the fate of the Saar.

The French premier explained that this was "a policy of balance in Europe, not a 'European' policy."[6] He argued to the Assembly that "[t]he organic presence of Great Britain on the continent appears to all of us as a new fact of colossal importance" that would "make the future association of the Seven into the political and military basis of the future Europe."[7] Confederalists were ecstatic. One Socialist rejoiced, "[T]he Accords deliver us from the Europe of Six and the risks of German hegemony which it contained; today it is the Europe of Seven!"[8] Ambassador René Massigli wept openly at the promise of British troops, saying, "For fifty years . . . French public opinion has waited for this announcement, and at last we have it!"[9] The WEU's lack of supranationality was hailed by many Independents, Radicals, and Socialists. France had chosen a dignified alliance, argued Jacques Bardoux (Indep.), rather than the EDC's "Europe of castrated states."[10]

4. Richard Griffiths notes, "Ironically, this was a solution that could have been reached almost four years earlier." Griffiths, "European," 28.

5. Both sides claimed paternity of the plan. Elizabeth de Réau, "La création de l'union européenne occidentale et son devenir," in Girault, *Mendès France,* 25–38; Georgette Elgey, *Histoire de la Quatrième République,* 2d ed., 4 vols. (Paris, 1993), 3:205; François Seydoux, *Mémoires d'outre-Rhin* (Paris, 1975), 186; Elena Calandri, "The Western European Union Armaments Pool: France's Quest for Security and European Cooperation in Transition, 1951–55," *Journal of European Integration History* 1:1 (1995), 37–64.

6. Cited in François Duchêne, *Jean Monnet: First Statesman of Interdependence* (New York, 1994), 258.

7. *Journal Officiel,* December 27, 1954, 6885; Réau, "Création," 34.

8. J. Hauriou in internal SFIO discussions, early October 1954, cited in Gilles Cophornic, "SFIO et UEO: La recherche d'une unité," in *Europe Brisée, Europe Retrouvée,* ed. René Girault and Gérard Bossuat (Paris, 1994), 257–82. See also the memoirs of Pierre-Olivier Lapie, the anti-EDC Socialist who was the leading champion of the arms pool. Pierre-Olivier Lapie, *De Léon Blum à de Gaulle* (Paris, 1971), 262.

9. Edward Fursdon, *The European Defense Community* (London, 1980), 321.

10. Nathan Leites and Christian de la Malène, "Paris from EDC to WEU," *World Politics* 8:2 (1955), 193–219.

WEU ratification, however, ran into the same crosscutting division that had killed the EDC. It passed only because Mendès France used coalitional leverage and issue linkages to win support from pro-community Socialists and traditionalist Gaullists.[11] Thereafter it became the focus of his European policies, with special attention to the "arms pool." Quai diplomats hoped its economies of scale could bolster the French aircraft and heavy equipment industries, while neutralizing autonomous German competition and avoiding supranational powers.[12] In January 1955, Mendès France presented a full proposal. The Armaments Agency would organize and fund cooperative arms production. In a transparent appeal to pro-EDC domestic support, he called the agency "supranational," though it had no immediate powers.[13] But the broader proposal was genuine: Mendès France "expected a great deal from this agency for intra-European cooperation with Britain and Germany. The Franco-Anglo-German triangle was essential."[14]

International responses to the plan were weak, but many French policy-makers still saw it as important through 1955. The Germans thought it an attempt to control their arms industry.[15] Pro-community Dutch minister Jan Willem Beyen "questioned the core of Mendès France's project, i.e. the attempt to turn the intergovernmental cooperation of the Brussels Pact into more binding integration," calling it "fake integration."[16] The British, meanwhile, balked at the mere label of "supranational." Still, in March they made a similar counterproposal that attracted much support at the Quai.[17] In May 1955, new premier Edgar Faure (Rad.) presented the pool as a central plank of his European pol-

11. Traditionalists among the Gaullists, Independents, Radicals, and Socialists opposed the WEU for its generosity on German rearmament, German sovereignty, and the Saar; community champions among the MRP, Independents, and Radicals spitefully opposed it for replacing the EDC. The pro-EDC Socialists reluctantly voted positively to support Mendès France's progressive domestic agenda. Mendès France was shocked when the first vote—called without a question of confidence tying the government's fate to the outcome—was defeated by 280 to 259 (70 abstentions). He then called a second vote on a question of confidence and rallied just enough traditionalist Gaullists, Socialists, and Radicals to win 287 to 256 (70 abstentions). Leites and Malène, "Paris," 195; Cophornic, "SFIO," 263.

12. Paul Pitman, "Western Rearmament, French Military-Industrial Strategies and the Evolution of the European Economic Order," presented at the conference "La IVe République face aux problèmes d'armement," Centre d'études d'Histoire de la Défense, Paris, September 29–30, 1997.

13. Massigli, whom Mendès France had just appointed Quai secretary-general, wrote that this language was added "in the hope of gaining a few votes in the National Assembly." René Massigli, *Une comédie des erreurs, 1943–1956* (Paris, 1978), 500. Olivier Wormser at the Quai noted that the government was "selling" the pool as supranational; American diplomats also reported to Washington that the plan was an attempt to "fool" pro-EDC French politicians. Calandri, "Western," 42.

14. Gérard Bossuat, "Armaments et relations franco-allemandes (1945–1963)," in *Histoire de l'armement en France de 1914 à 1962*, ed. Centre des Hautes Études de l'Armement (Paris, 1993), 147–206.

15. Küsters, *Fondements*, 39–40; Guillen, "Mendès France," 47.

16. Dutch account cited in Calandri, "Western," 56; Duchêne, *Monnet*, 263; Bossuat, "Armaments."

17. Pierre Baraduc, assistant to Wormser, saw the goal as setting up possibilities for Franco-German cooperation within a WEU framework. Calandri, "Western," 60.

icy.[18] Many diplomats and politicians continued to see it as a step toward more general development of the WEU treaty's clauses on political cooperation.[19] As Georges-Henri Soutou notes, many French elites "believed in 1954–55 that the WEU was going to play a much more important role than it eventually did."[20]

The economic complement to the WEU politico-military architecture remained the OEEC. Many in France still saw it as the obvious forum for proposals on cooperation in atomic energy, classic energy, and transports, all of which were in the air in the mid-1950s. Premier Faure, who presided over a Cabinet stretching from MRP (with Schuman as justice minister) to the Gaullists, became the chief spokesman for this course. Throughout spring 1955 he called for "supple and flexible" pursuit of low-key projects within the OEEC.[21] As we will see below, he had broad support for these options in the bureaucracy.

In 1954–55, many French elites were more certain than ever that broad intergovernmental institutions under Franco-British direction were the safest and most technically promising track for European cooperation. Their leader, Mendès France, was the most popular premier of the Fourth Republic. They saw no imperative to supranational institutions, or to a continental "little Europe," in any area. Thanks to the failure of the EDC, their confederal frame seemed more appropriate than ever.

The Traditional Track

Traditional options also received major attention in 1954–55. Many opponents of the EDC saw the WEU too as unworthy of French support. Germanophobia motivated some such thinkers. More common by 1954, however, was the view that the WEU, like the EDC, represented an "Anglo-Saxon" agenda that relegated France to a nonglobal role in minor European fora, denying the potential for a higher French profile (notably in East–West relations).[22] Many traditional thinkers perceived rising incentives for a growing relationship with Germany but thought this could develop well through bilateral ties. Bureaucrats and businessmen often held less grandiose versions of the same perspective: loose, intergovernmental contracts were the way forward.

Besides attempting to block the WEU, traditional efforts in 1954–55 focused on new ties with Germany. While Mendès France and Faure put first

18. Speech to Conseil de la République, May 26, 1955. Text in *Année politique,* 1955, 691. The immediate cause of the fall of Mendès France was vacillation between repression and negotiation in response to a wave of terrorism and violence in North Africa.

19. Massigli, *Comédie,* 508.

20. Georges-Henri Soutou, *L'alliance incertaine: les rapports politico-stratégiques franco-allemands, 1954–1996* (Paris, 1996), 28.

21. Edgar Faure, *Mémoires,* 2 vols. (Paris, 1982–4), 2:99; *Année politique,* 1955, 381; Massigli, *Comédie,* 505; Elgey, *Histoire,* 1:583.

22. On December 4, 1954, de Gaulle proclaimed that the WEU solution should not be accepted until further negotiations with the Soviets were attempted, the Atlantic Alliance was revised to downgrade American control, and a better deal was struck on the Saar. Charles de Gaulle, *Mémoires d'espoir,* 2 vols. (Paris, 1970–71), 2:621.

priority on WEU/OEEC cooperation, they presided over a series of Franco-German projects proposed by business and bureaucrats.[23] Parallel to an agreement between the French and German employers' associations in October 1954 was a new deal signed by Mendès France and Adenauer on economic and cultural cooperation. A Franco-German Economic Committee would negotiate long-term trade contracts, facilitate cooperation in aircraft, and coordinate investments in the French colonies. In particular, the Germans would buy French wheat and sugar. A new Franco-German Agricultural Committee hosted bilateral negotiations and new ties between national farmers' organizations in spring 1955. Another agreement provided for improving trade between the two countries by canalizing the Moselle River. The overall result, said a Quai German specialist, was "an unprecedented program of Franco-German cooperation."[24] It would bring a new Franco-German commercial treaty in fall 1955. "However," notes Hans Jürgen Küsters, "for the participants, this was not an accord concluded in hopes of new European integration."[25] It was a straightforward framework for technical deals.

The bureaucracy produced similar plans in atomic research and arms production. In both, French officials sought technical and financial German help, while hoping to supervise or undercut separate German efforts. In late 1954, French diplomats and atomic experts in the Atomic Energy Commissariat (CEA) worried that the WEU ruled out German manufacture of atomic weapons, not possession. Germany might someday obtain atomic weapons with help from the United States or United Kingdom. More immediately, they wanted information on the level of German atomic research.[26] Bilateral cooperation could solve both problems and increase funds for French research.[27] At the instigation of these officials, Foreign Minister Antoine Pinay suggested nuclear cooperation to Adenauer in April 1955. Adenauer was noncommittal (he suspected French motives), but the plan remained a central goal for many in Paris. Plans for armaments cooperation emerged in the same way. French military officials, economic bureaucrats, and arms producers all saw bilateral Franco-German projects as more feasible than an "arms pool." Military, diplomatic, and industrial ties began to develop in spring and summer 1955.[28]

23. For evidence that these pushes came from business and bureaucrats, not from Mendès France, see Georges-Henri Soutou, "La France, l'Allemagne, et les accords de Paris," *Relations Internationales* 52 (1987), 451–70; see also Guillen, "Mendès France," 48; Edelgard Mahant, "French and German Attitudes to the Negotiations about the European Economic Community, 1955–1957," Ph.D. diss., London University, 1969, 186, 224.

24. Armand Bérard, *Un ambassadeur se souvient: Washington et Bonn, 1945–1955* (Paris, 1978), 587.

25. Küsters, *Fondements,* 22.

26. The French themselves had secretly approved a five-year plan for an atomic bomb in November 1954.

27. The French atomic bomb program wanted an isotope separation plant to enrich large quantities of plutonium. German help could make this enormously expensive project (which also had civil applications) more feasible.

28. Bossuat, "Armaments," 168; Calandri, "Western," 52; Soutou, *L'alliance,* 38–41.

For many French elites, European relations in 1954–55 required nothing more than standard bilateral ties. Such links maintained the greatest amount of French control and were particularly appropriate to the "low politics" of economic and technical cooperation. Such thinking did not deny rapidly rising incentives to tighter links, particularly with Germany, but saw little functional reason or political appeal for focusing on permanent multilateral organizations (let alone supranational institutions). Its traditionally realist, sovereignty-based frame of action remained perfectly intact.

The Community Track

Community advocates recovered quickly from the EDC. Most had abstained from the WEU ratification, almost causing its defeat.[29] Now they remobilized. New plans to extend or imitate the ECSC in atomic energy, transports, or trade began to circulate in Paris.

Jean Monnet again led the charge. In November 1954, he announced his intention to resign as ECSC High Authority president to pursue a European "relaunch." In early 1955, he and his aides considered proposals including an arms pool, an atomic research pool, and extending the ECSC to oil, gas, electricity, and transports. They decided on a combination of the latter with an atomic pool, dubbed Euratom. Monnet knew CEA officials sought international funding and wanted to supervise German programs. France had the most advanced atomic program on the continent, and French politicians might be willing to accept a supranational project if they were sure to dominate it.

Even after Mendès France fell in February 1955, however, no ministerial ally was available to introduce Monnet's ideas into French policies. Premier Faure privately rejected Euratom as politically dangerous and of dubious interest.[30] Foreign Minister Pinay (Indep.), though favorable to community plans, was convinced that they were politically impossible for the moment. The MRP ministers had little influence over foreign policy, and the Gaullists blocked wider Cabinet discussions. Monnet had to look for help elsewhere. In late March, he convinced Belgian foreign minister Paul-Henri Spaak (a strong champion of community projects) to propose his plans to Pinay, Adenauer, and Italian foreign minister Gaetano Martino. But the replies were negative. Pinay said regretfully that attempts to "supranationalize energy and transport might produce another EDC in France."[31] Adenauer and Martino agreed that the time was not ripe. The Germans and Italians also preferred the United Kingdom or United States to less-advanced France as a partner for atomic cooperation. The way seemed blocked.

Then a potential opening appeared. The very pro-community political di-

29. Schuman ridiculed the WEU as a mere "little entente," an inconsequential "platonic Europe." At the Quai, Hervé Alphand wrote a letter to Mendès France denouncing the new policy as the "abandonment of Europe." Hervé Alphand, *L'étonnement d'être* (Paris, 1977), 248.

30. Pierre Guillen, "La France et la négociation des traités de Rome: l'Euratom," in *Il rilancio dell'Europa e i trattati di Roma*, ed. Enrico Serra (Brussels, 1987), 513–24.

31. Duchêne, *Monnet*, 271.

rector of the German Foreign Ministry, Carl-Friedrich Ophüls, suggested that Germany might accept Euratom if it were attached to a general Common Market.[32] Coincidentally, Dutch foreign minister Jan Willem Beyen proposed a Common Market to Spaak at the same time.[33] This route was uncertain because neither Monnet nor Spaak thought France would accept a Common Market on any terms. Even support for Euratom was doubtful; tying it to broad liberalization could kill its chances. German support for such a deal was also far from sure, given the known anticommunity views of Economics Minister Erhard and the minister for atomic affairs, Josef Strauss. Nonetheless, Spaak and Beyen agreed to put Euratom, extensions of the ECSC, and the Common Market together in a memorandum for the meeting of ECSC foreign ministers in June 1955. Monnet had indirectly gotten his government to consider community plans.

By late spring 1955, certain French elites saw French interests in an atomic community and extending the ECSC, though none were enthusiastic about packaging a Common Market with it. In any case, there seemed little hope that their government would endorse their ideas to frame its policies.

France and Liberalization in 1954–1955

Whatever their views on European strategies, French elites shared a fairly robust consensus in 1954–55 that trade liberalization could be approached only very carefully. This consensus reflected the experiences of the early 1950s. The first French acceptance of OEEC quota liberalization, beginning in late 1949, allowed imports to outpace exports, provoking a balance of payments crisis in 1951–52. Reserves fell, the budget deficit ballooned, and inflation rose above 25 percent. In February 1952, Edgar Faure's first government reimposed all quota restrictions removed since 1949.[34] But this did not stop the hemorrhage: France's cumulative payments deficit in Europe alone tripled (to $625 million) in 1952. Only a global recession following the Korean War boom, combined with the austerity policies of Antoine Pinay's conservative government in 1952, lowered inflation and reined in payments. Equilibrium was achieved almost solely by suppressing imports, not increasing exports.[35] The lesson was clear to almost everyone in France: the economy was not yet strong enough to risk major liberalization.

The Benelux and Britain soon began pressing the French to return to the OEEC liberalization schedule.[36] Yet a small relaxation of quotas in late 1953 led to a shocking 30 percent increase in imports. A Finance Ministry study con-

32. Ibid., 269.

33. Wendy Asbeek-Brusse, *Tariffs, Trade, and European Integration, 1947–1957* (New York, 1997), 158.

34. It also expanded export subsidies and obtained $100 million of emergency aid from the United States. Lynch, *France,* 134.

35. Asbeek-Brusse, *Tariffs,* 150.

36. Milward, *European,* 185; Asbeek Brusse, *Tariffs,* 151–55.

cluded that French costs were higher than elsewhere in Europe. France's neighbors needed to harmonize their social policies and taxes to French levels; "then and only then could trade be liberalized."[37] To maintain French standing in the OEEC, however, Foreign Minister Bidault struck a paper compromise.[38] France would gradually meet the OEEC schedule while applying new import taxes of 10–15 percent on most products. These taxes and new export subsidies kept France more protected than ever but fulfilled the letter of OEEC deals.[39]

With protection reinstated and state investment restarted under the Mayer and Laniel governments in 1953–54, France enjoyed high growth and low inflation through 1956. Trade between protected France and its liberalizing partners created payments surpluses in Europe in late 1954 and 1955. Even the overall trade balance was briefly positive in 1955.[40] Despite the recovery, the protection policy remained largely unchallenged. The second Five-Year Plan in 1954 called for a 25 percent increase in domestic product by 1959, but *no* increase in imports in those five years.[41] Support for this stance was consistent through the Mayer, Laniel, Mendès France, and Faure governments and was almost the only consensual view in Faure's Cabinet in 1955.[42] French business was solidly behind it.[43] With French trade in Europe doubling between 1953 and 1957 within the existing web of bilateral contracts, few French elites felt a need for a new economic deal. To the extent they did, meeting older OEEC commitments was the obvious path for controlled liberalization. Nor were French policy-makers looking to "little Europe" as a shelter from the broad OEEC. They had flatly rejected Dutch suggestions of a Common Market in 1953, and a major Finance Ministry study in 1955 concluded that "the prob-

37. Lynch, *France,* 138. A liberal minority (8 of 24) did contest the commission's findings, however, arguing for immediate liberalization.

38. The confederalist Bidault argued internally that given the EDC's problems, France had to preserve the OEEC as an alternative forum for European cooperation. MAE (Archives Diplomatiques du Ministère des Affaires Étrangères), série DE-CE, vol. 353, rapport de réunion Bidault-Faure, March 12, 1954.

39. These taxes were also in addition to tariffs that averaged between 20 and 35 percent on non-raw-material goods. MAE, série DE-CE, vol. 613, March 26, 1956, Service de coopération économique, "Note pour le cabinet du Sécrétaire d'État: Répercussions sur les diverses branches de l'industrie française de l'institution éventuelle d'un marché commun européen."

40. This would be shortlived, moving back to a massive deficit in 1956, when the United States cut back its aid and purchases of French war materiel.

41. The Second Plan was written up in 1952 but delayed because the payments crisis made its planned investments infeasible. Its five-year plan, basically one of import substitution, was relaunched in 1954. Milward, *European,* 204.

42. Edgar Faure was finance minister for both Laniel and Mendès France. Asbeek-Brusse, *Tariffs,* 161.

43. CNPF head Georges Villiers said on August 4, 1954, that "present economic conditions in France were not suitable for implementation of trade liberalization measures . . . [because] French industry produces at prices that are too high." With any major quota liberalization, he argued, "the disparity between French and foreign prices would render competition with other European countries unbearable." Carol Levy Balassa, "Organized Industry in France and the European Common Market: Interest Group Attitudes and Behavior," Ph.D. diss., Johns Hopkins University, 1978, 69–79.

lems of forming a common market of the Six were no less than liberalizing trade within the OEEC since imports from the Federal Republic, Benelux and Italy represented 70 percent of all imports from the OEEC."[44] As we will see below (contrary to the received wisdom), many French officials and businessmen explicitly preferred broad but avoidable OEEC liberalization over narrow but automatic (and supranationally administered) liberalization among the Six.

FRENCH STRATEGIES AND EUROPEAN BARGAINING AROUND 1955

As in 1950, international bargaining was not going to force the French toward a community strategy around 1955. All accounts agree that their partners generally preferred confederal or traditional projects in industrial trade, agriculture, atomic energy, and other areas.

The British were not pushing for any new European arrangement in 1955. OEEC liberalization was their main economic project, but they were not planning any major new liberalization push. (Their decision in mid-1956 to propose an OEEC Free Trade Area [FTA] would be a late and reluctant move "to prevent the creation of the EEC from leading to a harmful economic division of Europe," not a spontaneous demand for more liberalization).[45] In agriculture they privileged the Commonwealth. In atomic energy they had little to learn from the other Europeans, but advanced a proposal for research collaboration in the OEEC in late 1955.[46] They were open to talks on classical energy and transports in the OEEC as well. As noted above, they also offered a WEU proposal for armaments collaboration in spring 1955 and generally saw the WEU as the main European structure for political relations.

Most Germans preferred to follow Britain's lead. In liberalization, they supported the OEEC format almost universally; the officials and politicians who later sought a Common Market presented this as necessary to gain French support, not as a German preference. German business and Economics Minister

44. Paraphrase by Lynch (*France,* 176) of Rapport Boissard, Ministry of Finance, "Comité restreint chargé d'enquêter sur les obstacles à la libération des échanges."

45. N. Piers Ludlow, *Dealing with Britain: The Six and the First UK Application to the EEC* (New York, 1997), 27; Simon Burgess and Geoffrey Edwards, "The Six plus One: British Policy-Making and the Question of European Economic Integration, 1955," *International Affairs* 64:3 (1988), 393–413; Richard Griffiths and Stuart Ward, "'The End of a Thousand Years of History': The Origins of Britain's Decision to Join the European Community, 1955–1961," in *Courting the Common Market: The First Attempt to Enlarge the European Community, 1961–1963,* ed. Griffiths and Ward (London, 1996), 7–38; James Ellison, "Perfidious Albion? Britain, Plan G and European Integration, 1955–57," in *Contemporary Political Studies 1996,* ed. Iain Hampshire-Monk and Jeffrey Stanyer (Belfast, 1996), 21–32; John Young, "British Officials and European Integration, 1945–60," in *Building Postwar Europe,* ed. Anne Deighton (New York, 1995), 87–106; John Young, "Britain, the Messina Conference and the Spaak Committee," in *British Foreign Policy, 1945–56,* ed. Young and Michael Dockrill (London, 1989), 197–224; Miriam Camps, *Britain and the European Community, 1955–1963* (Oxford, 1963), 45–53, 93–129.

46. Lawrence Scheinman, *Atomic Energy Policy in France under the Fourth Republic* (Princeton, 1965), 134.

Ludwig Erhard loudly supported OEEC and opposed the community format (for both dirigisme and supranationality).[47] Most German politicians, officials, and business strongly preferred OEEC or bilateral deals in atomic energy, especially Atomic Affairs Minister Strauss. Offers of American aid in civil research far overshadowed French overtures.[48] Politically powerful German agriculture approved of bilateral ties like the Franco-German Agriculture Committee of 1954, opposing multilateralism. Even Chancellor Adenauer, the patron of the ECSC and EDC, was interested less in new community plans than in *any* major project that could relaunch European cooperation.[49] In 1955 he called the WEU "the point of departure and the core of future European policy."[50] If he was later willing to impose "little Europe" on Erhard, Strauss, and interest groups, this was in order to meet French positions—not because he demanded a community Europe himself. Only a minority of German diplomats and politicians were partisans of supranational projects.

Some Benelux leaders in 1955 were in the awkward position of favoring both British participation and supranational communities. But the former preference was more widespread among Benelux elites; economic and political ties to Britain were close, and the OEEC was seen as the desirable format for liberalization. Even Belgian foreign minister Spaak and Dutch minister Beyen, who supported supranationality much more than most of the governments they represented, strongly hoped for British participation or close association with any and all future projects.[51] In agriculture, the export-dependent Dutch were the only country to favor a multilateral, liberalizing trade deal. In atomic energy, the Benelux agreed that the OEEC format was more technically attractive than the Six.[52] Overall, the Benelux in 1955 could support either community or confederal projects, depending on what deals the larger governments chose. Their proposal of a Common Market of the Six in summer 1955 was partly driven by fear that the French and Germans would push ahead with bilateral ties.[53]

47. Werner Bührer, "German Industry and European Integration in the 1950s," in *Western Europe and Germany: The Beginnings of European Integration, 1945–1960,* ed. Clemens Wurm (Washington, D.C., 1995), 87–114; Sabine Lee, "German Decision-Making Elites and European Integration," in Deighton, *Building,* 38–54; Küsters, *Fondements,* 58–64, 90–94; Milward, *European,* 198–201.

48. Bührer, "German," 104; Duchêne, *Monnet,* 269; Milward, *European,* 200. Eisenhower's "Atoms for Peace" initiative in 1953 reversed American atomic secrecy, offering cheap nuclear fuel and technical aid for any government's civil research. These offers were repeated and prices lowered in 1955 and 1956.

49. Küsters, *Fondements,* 46.

50. Cited in Armand Imbert, *L'Union de l'Europe Occidentale* (Paris, 1968), 53.

51. Beyen's proposal of a Common Market of the Six "encountered doubt verging on opposition at home." Duchêne, *Monnet,* 272. See also Richard Griffiths, "The Common Market," in *The Netherlands and the Integration of Europe, 1945–1957,* ed. Griffiths (Amsterdam, 1990); Bernard Bouwman, "'Longing for London': The Netherlands and the Political Cooperation Initiative, 1959–62," in Deighton, *Building,* 141–58; Milward, *European,* 192.

52. The Dutch already had agreements with Britain and Norway which they did not want to disrupt. Wendy Asbeek-Brusse, "Euratom," in Griffiths, *Netherlands,* 209–24.

53. Asbeek-Brusse, *Tariffs,* 157–60; Milward, *European,* 192.

No one contests that on their own, France's partners preferred an OEEC/WEU Europe in 1955. But since the literature sees clear French interests orienting European bargaining to a community path instead, it pays little attention to the implication that other French strategies were perfectly viable. If the French had gone along with a gradual confederal Europe, the result would have been slow intergovernmental OEEC liberalization and a series of other low-profile technical projects (in atomic energy, transports, etc.). Agricultural relations would have remained in the bilateral status quo. If the French had rejected both community plans and major new confederal steps, weaker but similar relations would have resulted. French agricultural exports could have expanded somewhat in bilateral contracts, and French industrial trade stood to gain in any case from unilateral German liberalization.[54] As even Moravcsik admits, given French leadership that "sought to muddle through for five years without a strong European initiative, the result would have been less striking—very likely a series of Franco-German bilateral arrangements, as was emerging in any case, with more decentralized institutions."[55] Europe's future shape hinged on French choices.

CHOOSING THE COMMUNITY MODEL, 1955–1957

Why did the French government select the community path in 1955–57? As Küsters asks, "How was it possible, in the climate of hostility that reigned in France vis-à-vis integration, to convince the French government of the advantages of a new initiative in the integration process, even when an integration policy that went beyond the ECSC's activities seemed unrealizable?"[56] Also, how was it possible, in the climate of fear that reigned in France vis-à-vis liberalization, to build integration around a Common Market?

The pattern of French political mobilization, and the interpretive evidence of how various French elites understood their interests, show that France was pulled to EEC/Euratom by pro-community leadership. The domestic realignment in early 1956 gave them the opening—not the pressure—to pursue this strategy. Amid fragmented demands, they ignored their allies who favored other strategies, lobbied reluctant interest groups, and eventually rallied a ratifying majority thanks to coalitional pressures, issue linkages, side payments, and broad lack of interest during a worsening crisis.

Origins

The French government found itself studying the EEC/Euratom proposals in summer 1955 only because its foreign minister ignored his explicit instructions and domestic demands. A Cabinet meeting in late May decided that for the up-

54. Erhard pushed through a unilateral reduction in Germany's base tariffs of 20–40 percent, effective in 1957. After Germany, the Benelux had the second-least-protected markets in Europe.

55. Moravcsik, *Choice,* 137.

56. Küsters, *Fondements,* 3.

coming meeting of foreign ministers in Messina, Italy, Foreign Minister Pinay could discuss the Euratom idea or other sectoral plans, but not the Common Market.[57] Diplomats at the Quai had little enthusiasm even for Euratom but argued that "Euratom was the lesser of two evils. Provided that it could separate the French military program from a civilian research program in Euratom, the diplomats were prepared to support Euratom as a way of blocking progress on the Common Market."[58]

Even this stance was opposed by most of the growing French nuclear establishment. Though enthusiastic for international cooperation to secure funding for an expensive isotope separation plant, French atomic experts generally favored OEEC or bilateral options.[59] CEA head François Perrin saw the backward German, Benelux, or Italian programs as much less interesting collaborators than the British or Swiss. He publicly supported the British OEEC plan.[60] Pierre Guillaumat, director of the secret new military program, wanted at most bilateral links to monitor German projects. Any further deal might intrude on military research. He would later dismiss Euratom as "dangerous nonsense."[61]

The Common Market had almost no support in France. Most French businessmen in 1955 favored "as little change as possible."[62] They already had privileged access to German markets thanks to Germany's unilateral openness. They were willing to envision only controlled, nonautomatic liberalization with national vetoes and safeguards—as provided for in the OEEC. They explicitly opposed new "authoritarian" integration (as they publicly called the ECSC and supranationality in general).[63] Nor—contrary to the common wisdom—did French farmers spontaneously favor a Six-based deal. As they made clear in opposing the earlier Green Pool, they preferred bilateral contracts to OEEC or community projects. Though French surpluses were mounting by 1955, the farmers' lobbies feared liberalization as much as they wanted to export, and so still preferred the controlled framework of intergovernmental deals like the Franco-German accord then being negotiated. They explicitly opposed supranationality.[64]

57. Faure made sure this was clear with an additional personal letter to Pinay. Christian Pineau and Christine Rimbaud, *Le grand pari: l'aventure du traité de Rome* (Paris, 1991), 168; Elgey, *Histoire,* 3:583. The main reason for the Messina meeting was to select a successor to Monnet as High Authority president.

58. Lynch, *France,* 171. This paraphrases an SGCI report by Olivier Wormser, May 25, 1955.

59. With some important exceptions, notably the influential Louis Armand, head of French railways and a CEA advisor. Duchêne, *Monnet,* 278; Guillen, "France," 514.

60. Scheinman, *Atomic,* 148–57; Bertrand Goldschmidt, *Le complexe atomique: histoire politique de l'énergie nucléaire* (Paris, 1980), 147–53; Heinz Kramer, *Nuklearpolitik in Westeuropa und die Forschungspolitik der Euratom* (Cologne, 1976), 48; Roger Quilliot, *La SFIO et l'exercice du pouvoir, 1944–1958* (Paris, 1972), 584; Küsters, *Fondements,* 126.

61. Elgey, *Histoire,* 4:581.

62. Mahant, "French," 195.

63. Jean-Pierre Bounie, "Le CNPF et la construction de l'Europe," master's thesis, Faculté de sciences politiques de Paris, 1969, 93; Balassa, "Organized," 78; Henry Ehrmann, *Organized Business in France* (Princeton, 1957), 413.

64. One French supporter of an Agriculture Community wrote in 1954 that French farmers

Pinay and his advisors, however, hoped to find some way to relaunch community integration. Even before Messina, his aides had tried to sell Monnet's sectoral ideas in the administration.[65] Though Pinay (himself a small industrialist) shared French fears of the Common Market, he went to Messina willing to compromise to push Euratom forward.[66] When the Germans and Benelux refused to discuss Euratom without the Common Market, Pinay overstepped his instructions to accept studies of all the plans, with guidance from a "political personality." For his domestic audience, he asked that references to independent institutions be erased except for Euratom. But he proposed the most pro-community participant—Spaak—to chair the studies and later selected a strongly pro-community Radical, Félix Gaillard, to head the French delegation.[67]

These selections would not prove innocent. At the time, however, the Messina Resolution was widely dismissed. Quai secretary-general Massigli wrote, "Many in Paris couldn't believe this result: 'Yet another committee of experts!'"[68] Raymond Aron asked, "How can we envisage a common market when we cannot even liberate all of our foreign trade [from quotas in the OEEC]?"[69] Neither business nor agriculture commented publicly. For most in France, the Spaak Committee was neither appealing nor important. Little did they suspect the agenda-setting potential of Pinay's leadership.

The Spaak Committee and the Coalitional Shift

From July 1955 to spring 1956, the Spaak Committee turned Pinay's small step into a major community project. Simultaneously, an unrelated coalitional shift allowed pro-community French leaders to take up that project.

The national delegations themselves were the major obstacles to progress in the Spaak Committee. Most of the bureaucrats on the expert subcommittees were unenthusiastic about any of the proposed plans. This was particularly true of the French; senior diplomat Olivier Wormser (now director of economic af-

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were "resolutely turning their back on this path to salvation." Pierre de Félice, *Le pool vert* (Paris: 1954); see also Milward, *European,* 283, 306, 309; Hélène Délorme and Yves Tavernier, *Les paysans français et l'Europe* (Paris, 1969), 22; Gilbert Nöel, *Du pool vert à la politique agricole commune* (Paris, 1988), 445; Edmund Neville-Rolfe, *The Politics of Agriculture in the European Community* (London, 1984), 116.

65. Massigli writes, "I remember a meeting of an interministerial committee, April 22 [1955], in which the technicians [of various ministries], without governmental directives, took great pleasure in pouring cold water on the European enthusiasm of the collaborators of Antoine Pinay." *Comédie,* 506.

66. Pinay's Cabinet director in 1955, Jean Sauvagnargues, insisted to me that accounts portraying Pinay as reluctantly accepting a deal at Messina (like the Quai's "lesser of two evils" logic cited above) are incorrect (Duchêne, *Monnet,* 281, and Lynch, *France,* 172). Interview, Paris, May 7, 1997.

67. Maurice Faure (later the French EEC negotiator) told me that Pinay selected Gaillard for his pro-community ideas. Interview, Paris, March 11, 1998. The other delegations, in contrast, were headed by civil servants; see Küsters, *Fondements,* 97. Gaillard had worked for Monnet at the Plan in the mid-1940s.

68. Massigli, *Comédie,* 512.

69. *Le Figaro,* June 3, 1955.

fairs) quickly reiterated that France had accepted "not the idea of a common market, but the idea of a *study* of a common market." Behind this the Belgians saw his intent to "torpedo the course of the negotiations."[70] Together with German reluctance on Euratom, French stalling in the Common Market studies bogged down the entire committee.[71] It could not present its scheduled report to the foreign ministers in September and was still not far along by late October.[72] In early November, the British observer to the talks withdrew, saying in parting that a treaty had "no chance of being concluded; if it is concluded, it has no chance of being ratified; and if it is ratified, it has no chance of being applied."[73]

Spaak, exasperated at the stalemate and the British withdrawal, took things into his own hands. At Gaillard's suggestion, the delegation heads dismissed their experts. Spaak's aides (French economist Pierre Uri and German bureaucrat Hans van der Groeben, both suggested to Spaak by Monnet) rewrote each section and then presented it for the delegates' approval.[74] Gaillard, like the others, emphasized that he could only engage himself and not his government. Once agreement was reached on the major issues, Uri and Van der Groeben wrote up the final document alone in March 1956.[75]

The result, wrote one early Quai analysis, showed "considerable distance from all aspects of French positions."[76] The Common Market overshadowed Euratom.[77] Liberalization would proceed automatically in stages. All quotas and subsidies would be eliminated quickly.[78] No engagements were given on

70. Michel Dumoulin, ed., *La Belgique et les débuts de la construction européenne* (Louvain-la-Neuve, 1987), 200. Original emphasis.

71. The main fight in the Common Market was over French insistence that wages, social benefits, and employer costs in general be harmonized before liberalization could begin. The Germans and Benelux rejected this logic, but the Quai's experts stonewalled: "It is difficult to conceive that our delegation can concede on one of the essential conditions we have posed for our participation in the common market." MAE, série DE-CE, vol. 612, September 19, 1955, Service de coopération économique, "Note pour le cabinet du ministre." On Germany and Euratom, see Küsters, *Fondements*, 116.

72. Wormser summarized that the September ministerial meeting "was not of great interest" but worried that the Brussels discussions seemed to be slipping away from French preferences and centering themselves on the Common Market. He also argued at Noordwijk that an intergovernmentally run Common Market might conceivably be feasible but that a supranational one would suffer the same fate as the EDC. MAE, série DE-CE, vol. 612, September 7, 1955, Direction des affaires économiques et financières, "Note pour Monsieur Valéry: Impressions à la suite de la réunion de Noordwijk," signed O. Wormser; MAE, série DE-CE, vol. 610, September 28, 1955, "Projet de procès-verbal de réunion des Ministres des Affaires étrangères des États-membres de la CECA, Noordwijk, 6 septembre 1955."

73. Jean-François Deniau, *La découverte de l'Europe* (Paris, 1994), 54.

74. The delegation heads met only three times to approve the new drafts.

75. Paul-Henri Spaak, *Combats inachevés* (Paris, 1969); Pierre Uri, *Penser pour l'action* (Paris, 1991); Jean-Charles Snoy et d'Oppuers, *Rebâtir l'Europe* (Paris, 1989); Elgey, *Histoire*, 4:594.

76. MAE, série DE-CE, vol. 613, February 24, 1956, Sécrétariat d'État aux Affaires économiques, "Note: marché commun européen."

77. With 84 pages on the Common Market and 24 on Euratom. MAE, série DE-CE, vol. 613, April 21, 1956, "Rapport des chefs de délégation aux ministres des Affaires étrangères."

78. Gaillard did succeed at rejecting the immediate abolition of quotas, but he accepted a new commitment to the OEEC schedule that France had so far been unable to respect.

French demands for harmonizing social costs, though there would be an investment fund for disadvantaged firms and a relatively high common external tariff.[79] Other safeguards were few and operated at the discretion of a supranational commission. An unspecified agriculture policy was left to the future. French hopes for aid to overseas territories were unmentioned. Euratom—like the Common Market modeled explicitly on the ECSC—would hold a monopoly on nuclear materials. It allowed only civil (not military) applications.[80]

The Spaak Report's reception in the French bureaucracy was "glacial."[81] Diplomats wrote that the Common Market's "fundamental risks" included the inevitable integration of all economic and foreign policies, with "economic and social disruption that cannot be underestimated"; they also saw a need to "safeguard the French Union" against "Europeanization."[82] The institutional provisions were "hardly different" from those of the ill-loved ECSC.[83] With the exception of a few isolated voices, the Ministries of Finance, Industry and Commerce, Agriculture, Transports, Social Affairs, Public Works, and Overseas France echoed these views.[84] Interministerial meetings rejected the report as the basis for negotiations. France could discuss commitments only for an initial four-year phase of liberalization.[85] Some diplomats recommended shifting the talks to the OEEC, arguing that its weak commitments were safer than automatic, supranationally run plans despite its wider scope.[86] They also argued

79. The Spaak Report version of the Investment Fund, however, limited the fund's aid to economic problems demonstrably brought on by the Common Market (which would be difficult to prove). On tariffs, the French won a common rate slightly higher than the straightforward average of member state rates.

80. The other ideas in the Messina Resolution, for extending the ECSC to transports or classical energy, were dropped owing to general lack of interest.

81. Robert Marjolin, *Le travail d'une vie: mémoires 1911–1986* (Paris, 1986), 282.

82. MAE, série DE-CE, vol. 613, April 21, 1956, Service de coopération économique, "Note: marché commun"; MAE, série DE-CE, vol. 613, April 14, 1956, Service de coopération économique, "Note: analyse du rapport des experts sur l'institution d'un marché commun européen." See also April 25, 1956, "Note: marché commun."

83. MAE, série DE-CE, vol. 613, March 21, 1956, Direction d'Europe, "Note: institutions du marché commun." According to Maurice Faure, Wormser came to him in late spring 1956 to protest the Common Market plan, saying, "This is crazy. You won't succeed, and if you do, it will be a huge catastrophe." A lower-level diplomat, Jean-Marc Boegner (later de Gaulle's EEC representative), so opposed the project that he asked to be named to a different position. Interviews, Faure and Boegner, Paris, March 11 and 6, 1998.

84. Key supporters included Bernard Clappier, Robert Schuman's Cabinet director in 1950 and now director of external economic relations at the Finance Ministry, and Jean Sadrin, director of external finances. For their views and a breakdown of complaints by ministry, see Bossuat, *L'Europe*, 317–20. Bjøl estimates that four-fifths of the high administration opposed negotiations based on the Spaak Report in summer 1956. Erling Bjøl, *La France devant l'Europe* (Copenhagen, 1966), 260. See also René Girault, "Decision-Makers, Decisions and French Power," in *Great Britain, France, Germany and Italy and the Origins of the EEC, 1952–1957*, ed. Ennio di Nolfo (New York, 1992), 66–83.

85. MAE, série DE-CE, vol. 613, May 12, 1956, Service de coopération économique, "Note: marché commun"; and May 23, 1956, "Résumé du projet de document de travail sur l'établissement d'un marché commun, préparé par la Commission interministérielle réunie à la Présidence du Conseil."

86. "Note: Marché commun," Direction Générale des affaires économiques, February 2, 1956, in *Documents diplomatiques français* 1:67 (1956), 127–40.

that French interest groups would never support the plan: "It is obvious that a consultation with the directly interested economic and syndical groups would lead very rapidly to a negative assessment that could only limit the government's possibilities for maneuver and crystallize the heretofore latent opposition to the Common Market. In particular, this would be the case if such a consultation sought to determine the advantages and the disadvantages that our country could draw from the establishment of a Common Market."[87]

This description was accurate in spring 1956. Agricultural lobbies were not yet convinced of the Common Market's promise.[88] Business reactions to the Spaak Report were "essentially negative."[89] Less competitive industries like cotton, construction, engineering, and most automobile manufacturers were frankly opposed. More competitive sectors like wool and the electrical industries were more positive, but the hostile sectors dominated occasional (and poorly attended) business meetings on the Spaak talks in late 1955 and early 1956.[90] The CNPF decided, however, that outright rejection of the Spaak Report was politically awkward; instead it would attack its details.[91] In May 1956, CNPF head Georges Villiers sent the government a long list of "indispensable precautions" (on the harmonization of costs, safeguards, the tariff schedule, aid to overseas territories, etc.) to any agreement.[92] In July 1956 the business representatives in the French Economic Council would vote unanimously to reject the Spaak Report and to relocate the talks to the OEEC. Common Market plans for automatic, supranationally directed liberalization frightened them more than the wider (but weaker) OEEC framework. In the latter, they hoped liberalization could be "indefinitely delayed."[93]

While the Spaak Committee met, however, a major domestic shift had changed French leadership. The legislative elections of January 1956 initially boded poorly for community plans. The number of strongly traditional deputies in the new Assembly was greater than it had been in the Assembly that had rejected the EDC. The marginal victor was the Front Républicain, led by Mendès France. He was widely expected to return as premier.[94] But newly

87. MAE, série DE-CE, vol. 613, February 23, 1956, no author, "Note."

88. On agricultural lobbies' initial pressure to reject the Spaak Report, see Küsters, *Fondements,* 142.

89. János Szokolóczy-Syllaba, *Les organisations professionnelles françaises et le marché commun* (Paris, 1965), 284.

90. CNPF documents cited in Mahant, "French," 363.

91. Mahant, "French," 177; Bela Balassa, "The French Economy, 1958–1978," in *The Fifth Republic at Twenty,* ed. William Andrews and Stanley Hoffmann (Albany, N.Y., 1981), 204–26; Ehrmann, *Organized,* 414.

92. Reproduced in Szokolóczy-Syllaba, *Organisations,* 284; René Girault, "La France entre l'Europe et l'Afrique," in Serra, *Rilancio,* 351–78.

93. What "ensured the support of the business delegates" for the OEEC format was "the implicit perspective of seeing the talks abandoned, or at least indefinitely delayed." Szokolóczy-Syllaba, *Organisations,* 287. The debates are recorded in *Bulletin du Conseil économique,* July 12–13, 1956, 369–86; the pro-OEEC resolution appears in *Journal Officiel, Avis et rapports du Conseil Économique,* July 25, 1956, 328.

94. The Gaullists lost 89 seats, partly because de Gaulle himself had gradually distanced him-

elected president René Coty (a conservative Independent with little love for anyone in the coalition) instead called Mendès France's electoral partner, SFIO head Guy Mollet. Coty chose Mollet partly because he opposed Algerian independence and partly because they shared pro-community sympathies.[95] Now the leader of the pro-EDC Socialists assembled a team of pro-community advisors. He rejected Mendès France's request to be foreign minister in favor of pro-EDC Socialist Christian Pineau. A young ultra-Europeanist Radical, Maurice Faure, became junior minister for Europe. The ministerial cabinets and interministerial committee (SGCI) were run by Finance official (and longtime Monnet aide) Robert Marjolin, diplomat Émile Nöel, and Finance official Jacques Donnedieu de Vabres. Küsters writes, "In the spring of 1956, three pro-European *fonctionnaires* thus occupied the key posts in the French administration, and were entirely ready to direct European policy into new waters."[96]

Mollet—no economic liberal—strongly favored Euratom but feared the Common Market. Given German refusal of the former alone, however, he decided to negotiate both while trying to slow the latter.[97] The first step in this strategy was to mobilize more support in France. In early spring, Faure and Marjolin began systematic lobbying of interest groups, especially farmers. In what Marjolin called "the most prolonged, and at least for a while, the most difficult discussions" of the process, they argued to farmers that the EEC promised more stable export contracts, not liberalization.[98] Though the agricultural organizations "remained until almost the last moment suspiciously antagonistic of anything more complicated [than bilateral contracts], especially anything that would provide a market for other peoples' surpluses in France," they endorsed talks on the basis of the Spaak Report in summer 1956.[99]

The farmers' support made Mollet confident enough to move toward negotiations. Support in his own party remained weak, especially for the Common Market; Socialist finance minister Paul Ramadier in particular strongly

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self since they entered the majority in 1953. Overall, however, the right and left extremes profited from the fragmentation of the Third Force. The electoral system of 1951 still allowed for allied lists, but the more centrist parties were no longer allied, so the results approached proportional representation. On the right, many Gaullist votes went to the Poujadiste movement, which won 51 seats. On the left, the Communists gained 51 seats. The MRP lost another 14 seats, and the Socialists lost a handful. Individually, Mendès France was by far the most popular figure, favored over the next most popular candidate for prime minister (Antoine Pinay) by a margin of 19 percent in preelection polls. Only 2 percent favored Mollet for prime minister. Jean-Pierre Rioux, *La Quatrième République* (Paris, 1983), 91.

95. Elgey, *Histoire,* 2:218; Rioux, *Quatrième,* 91; Jacques Fauvet, *La Quatrième République* (Paris, 1959), 308; Denis Lefebvre, *Guy Mollet, le mal aimé* (Paris, 1992), 156.

96. Küsters, *Fondements,* 142.

97. Mollet had a very low opinion of French business—he said to a Cabinet member that they were "pathetic"—and thought in early 1956 that eventually a carefully managed Common Market would do them good. Interview, a member of Mollet Cabinet, Paris, April 28, 1997.

98. Marjolin, *Travail,* 292; see also Duchêne, *Monnet,* 291; Milward, *European,* 133. Confirmed in interviews with another Mollet Cabinet member and Faure.

99. But most Agriculture Ministry bureaucrats remained unconvinced and opposed the opening of negotiations. Milward, *European,* 283, 310.

opposed the Spaak Report, which he thought would bring economic catastrophe.[100] The secretary of state for economic affairs, Jean Masson (Rad.), agreed.[101] In a decision that was still "manifestly contrary to the general sentiment of the ministers present," the premier approved the opening of formal negotiations on Euratom and the EEC.[102] A small group of Socialist and Radical leaders—hardly remarkable for their liberalism and representing parties deeply divided over Europe—had turned France toward the EEC.

Negotiations

During the negotiations from June 1956 to March 1957, Mollet's team made massive concessions on the fundamental shape of the EEC while trying to sweeten it with side payments for agriculture and France's overseas territories. In search of a workable deal, they allowed Euratom to be gradually eviscerated by the other delegations.

At home, they kept working to mobilize support. Mollet first called an Assembly debate on Euratom alone, since the Common Market clearly lacked majority support. With opposition from the Communists, Poujadists, and Mendès France (and the thirty Radicals otherwise closest to the SFIO), he needed not just broad support elsewhere but Gaullist abstentions. In a very poorly attended debate, he succeeded for three reasons.[103] First, he made a major concession on the French bomb. Mollet accepted limitation of Euratom's monopoly on nuclear materials, leaving French military research unhindered. This reversed his position against a French bomb and was deeply resented by many Socialists. Second, many on the right voted positively to uphold Mollet's harsh Algerian policies, regardless of Euratom.[104] Third, the government sold Euratom as a barely supranational way to control German research. Pineau argued that its supranationality had been "stripped . . . of any aspects that might raise political concerns," and that without it, the Americans would surely boost German research.[105] With further conditions (including a promise, later ignored, that Euratom would not share the ECSC's court or assembly), a majority of 332 to 181 (82 abstentions) voted for negotiations. One analysis notes, "[I]t would be an oversimplification to assert that this majority was wholeheartedly pro-Euratom."[106]

100. See Alain Prate, *Quelle Europe?* (Paris, 1991), 54; Bossuat, *L'Europe,* 317; Lynch, *France,* 178.

101. Bossuat, *L'Europe,* 318.

102. Serra, *Rilancio,* 282.

103. The number of deputies present was so low (about 40 of 595) that the debate was wound up early.

104. Scheinman, *Atomic,* 164; see also Pineau remarks in *Journal Officiel,* July 10, 1956, 3349.

105. Pineau remarks, *Journal Officiel,* July 10, 1956, 3349. See also Faure remarks, *Journal Officiel,* July 9, 1956, 3329. On many deputies' suspicion that the point of Euratom was "to later make us swallow a political project founded on a certain kind of institution that we oppose" (as one Gaullist put it), see the debate in *Journal Officiel,* July 10, 1956, 3332; Quilliot, *SFIO,* 585; Lefebvre, *Mollet,* 273; Elgey, *Histoire,* 4:599; Jacques Isorni, *Le silence est d'or au Palais-Bourbon* (Paris, 1957), 132.

106. Scheinman, *Atomic,* 164; Küsters, *Fondements,* 185. On opposition in the SFIO, see Rubens Pinto Lyra, *La gauche en France et la construction européenne* (Paris, 1978), 86–92.

Mollet's intention in the negotiations was still to delink Euratom and the Common Market, delaying the latter. This was flatly rejected by the other delegations. Thus in August, Marjolin persuaded Mollet to negotiate both projects in earnest.[107] In early September, the premier presented his new stance to the Cabinet: the French delegation would move forward on the Common Market, but would commit only to an initial four-year stage of liberalization and would seek as many safeguards and controls as possible. Finance Minister Ramadier continued to object, along with the three Gaullist ministers, that this was "out of the question." Socialist minister Alain Savary protested that any Common Market deal risked dislocating France's colonial relations.[108] Mollet decided to move forward anyway. Yet one of Ramadier's aides apparently remained skeptical enough to say, in sending a delegate to the talks in Brussels, "In Brussels there are a few irresponsible people who think they're going to create a customs union in Europe. They are idiots who don't know that the alarming situation of our currency reserves is going to force us to restore quotas on all imports. Their initiatives won't lead to anything. However, the prime minister attaches importance to this work, so we have to send someone from Finance to go see what's going on."[109]

As this suggests, France's economy was listing toward disaster. The shift from the Indochinese war (which had been financed by American aid) to the Algerian war (which was not) rapidly destroyed the balance of payments. Mollet's large increases in social spending did not help. The 1956 budget deficit increased by 50 percent over 1955, and the balance of payments went from a $541 million surplus in 1955 to an $835 million deficit in 1956.[110] At the same time, the chances of a well-protected Common Market deal seemed to weaken with the September launch of the British proposal for an OEEC Free Trade Area. Surprised at the opening of EEC negotiations, the British had decided to try to dilute it in a broader deal. They knew that Erhard and much of the German government favored this option, as did many Benelux elites.

Though most of French business and many bureaucrats preferred to risk weak OEEC negotiations rather than pursue stronger ties with the supranational Six, Mollet did not. In late September chief French negotiators Maurice Faure and Marjolin presented what they saw as a newly constructive French position on the EEC. From the perspective of the other governments, however, it let France block or simply ignore any part of the deal. The main demand was that social charges be harmonized across Europe during the first four-year stage. Furthermore, passage to the second stage would require unanimity; France

107. Duchêne, *Monnet,* 291. As a sign of this change, Jacques Donnedieu de Vabres replaced the obstructionist Wormser as head of the French Common Market team in early September. Küsters, *Fondements,* 168.

108. Bossuat, *L'Europe,* 328; Lynch, *France,* 178; Pierre Guillen, "Europe as a Cure for French Impotence? The Guy Mollet Government and the Negotiation of the Treaties of Rome," in di Nolfo, *Great Britain,* 505–16.

109. Alain Prate, *La France en Europe* (Paris, 1995), 17.

110. Hubert Bonin, *Histoire économique de la Quatrième République* (Paris, 1987), 262–65.

could impose import taxes and export subsidies if its payments were in deficit; overseas territories would be included on preferential terms; and France could delay any steps at all until the Algerian crisis was resolved. Especially since Erhard made a simultaneous push for Germany to drop the Six-based talks entirely, these French positions quickly led to impasse. A ministerial-level meeting—which Erhard insisted on attending—brought no resolution. Diplomats at the Quai argued that France could not afford to give in.[111]

But Mollet had decided that he wanted the "relaunch" of the Six to succeed. Adenauer, too, had been persuaded that the strongest political Europe lay with the community route. The two leaders met in Paris on November 6 and quickly broke the stalemate.[112] Marjolin (who favored liberalization and thought his own government's position "absurd") drew up treaty language conceding that harmonization would come about "through the influence of the Common Market itself"—an orthodox liberal credo.[113] In return, the Germans accepted that the French maintain import taxes and subsidies for one year; that the Commission could authorize safeguards if it found persistent differences in social charges; and that Euratom would monopolize all nonmilitary (i.e., all German) fissile materials.[114] According to Milward, the two leaders "scarcely read through the text of what they had agreed."[115]

Thereafter the basic shape of the EEC was quickly fleshed out. Warnings from the top economic officials in both France and Germany were brushed aside.[116] Marjolin authored a French concession on automatic progression to the second stage.[117] The other delegations accorded France safeguard clauses in case of balance-of-payments crises—but only with Commission approval. The French accepted the Spaak Report's schedule of tariff and quota reductions but managed to keep its relatively high common tariff and weakened versions of their earlier proposals for a Social Fund and a European Investment Bank.

111. MAE, série DE-CE, vol. 613, October 1956, "Position à prendre à la Conférence des Ministres des Affaires étrangères des 20–21 Octobre sur les problèmes du marché commun."

112. All archive-based accounts agree that the concurrent crises in Suez (which erupted into military conflict on October 29) and Hungary (where the Soviets intervened on November 5) arose after both leaders had decided to move forward on the Common Market. Bossuat, *L'Europe,* 324–37; Küsters, *Fondements,* 285–304.

113. MAE, série DE-CE, vol. 606, November 9, 1956, "Comité des chefs de délégation, proposition franco-allemande," Chef. dél. 51. Marjolin, *Travail,* 286.

114. This overruled the very public opposition of Defense Minister Strauss and German industry (especially the powerful chemical industry). Pascaline Winand, *Eisenhower, Kennedy, and the United States of Europe* (New York, 1993), 92; Gérard Bossuat, "Jean Monnet, le Département d'État et l'intégration européenne," in Girault and Bossuat, *Europe,* 301–40.

115. Milward, *European,* 215.

116. In Germany, Erhard denounced the November 6 agreement and called for breaking off the Brussels negotiations in favor of OEEC talks. In France, Finance Minister Ramadier and his officials continued to rail against the concessions. Küsters, *Fondements,* 216; Bjøl, *France,* 76, 319. Deniau, *Découverte,* 56; Lefebvre, *Mollet,* 274.

117. After the first four-year stage, a unanimous vote would decide to move to the second stage or to wait for one year. In the latter case, this would repeat after another year. After two years' delay, a majority vote would be held. Thus the French could delay the second stage for only two years.

By December 1956, the remaining issues were agriculture, overseas territories, and institutions. While some sort of agricultural deal had been a constant French goal, French negotiators thought it less difficult than industrial trade and willingly put it off until the later talks.[118] At that point they focused on guaranteed long-term contracts, as their farmers wished. The Germans had similar preferences but opposed a French push to make intra-EEC contracts preferential over trade with third countries. Both French and Germans still disliked Dutch plans for liberalization and integration under a Common Agricultural Policy. The French were pleased to obtain long-term contracts for the twelve-year transition period and the principle of a "community preference." A future CAP was left undefined, and steps toward it were delayed three years.[119] At French farmers' insistence (with German support), these steps would proceed only by unanimity.[120] Overall, writes Lynch, "the French were much less intransigent over the question of agriculture" than over liberalization or the overseas territories.[121]

Mollet extracted a more important side payment for the overseas territories—but even this was contested in Paris. The EEC's colonial impact was a very sensitive issue. Mollet and Minister of Overseas Territories Gaston Defferre (a pro-EDC Socialist) insisted that only a major investment fund could help the territories adjust to competition from Europe.[122] At first the other states (besides Belgium) flatly refused. Only by threatening failure did Mollet convince Adenauer, in another face-to-face meeting, to overrule his negotiators and concede major investments for five years.[123] Yet in France, elites who framed their thinking in terms of sovereignty and balancing saw even this side payment as threatening. They believed that France's "gatekeeper" position between the French Union and Europe would make it the natural leader of "Eurafrique."[124] Well into the EEC talks, Finance officials argued that investments (and even aid) from other countries would undermine French control. Since French interests were actually most similar to those of Britain with its Commonwealth, France should

118. Küsters, *Fondements,* 190; Bossuat, *L'Europe,* 328.

119. The treaty presented a series of alternatives from liberalization to dirigiste managed trade. For detailed arguments that the French did not demand or get much on agriculture in the treaty, see Hans Peter Muth, *French Agriculture and the Political Integration of Western Europe* (Leiden, 1970), 135; Georges Elgozy, *La France devant le marché commun* (Paris, 1958), 265.

120. Mahant, "French," 226.

121. Lynch, *France,* 182. Milward writes, "France would have been satisfied with preferences for its wheat, sugar, dairy and meat exports on Western European markets in the form of long-term purchase contracts, the kind of arrangements which the Dutch and Danes had with Britain and Germany." *European,* 283.

122. Girault, "France," 354; Robert Frank, "The French Alternative: Economic Power through the Empire or through Europe?" in di Nolfo, *Great Britain,* 160–73.

123. Of the 581.25 million EPU units in the fund's five-year budget, the French government would pay 200 million (34 percent) but French territories would receive 511.25 million (88 percent).

124. Girault, "France"; Lynch, *France,* 131.

1. Push for European integration in the OEEC framework, trying to establish a Franco-British "common front". . . .
2. Not discuss, even "in principle," the integration of the Overseas Territories of the franc zone before the principles of European integration are established and have begun to be executed.
3. Activate as much as possible the economic, financial, and tariff integration of the franc zone (notably Morocco) with France, and do not envisage the adhesion of this zone to Eurafrica until its own internal ties are sufficiently consolidated to avoid all risks of dislocations.[125]

Finance Minister Ramadier made a similar case, as did the Mendèsist Radicals, several Independents, and many Gaullists.[126] But this "was an argument that Mollet rejected completely."[127] Unlike many more "liberal" Finance experts, he thought the closed trading system anachronistic.

The issue of institutions—dangerous in France—was left for last. The delegations had implicitly agreed on the ECSC model long before, however. Both the EEC and Euratom would have a council of ministers and an independent executive commission; in violation of Mollet's parliamentary promise in July 1956, they would share the ECSC's assembly and court. Beyond this, the French argued that extensive supranational powers would be unratifiable in France. The result was a conscious plan to fool the French Assembly, with weak initial Commission powers and majority voting that increased over the transition period to be like that of the ECSC.[128]

A final shift took place over Euratom. Its talks had been no less difficult than those on the EEC. Not just the Germans and Benelux but the French also moved slowly; in order to neutralize the opposition of atomic military chief Pierre Guillaumat, Mollet had asked him to head the French team.[129] By the late stages of the negotiations, it was becoming clear that the other governments refused to put up major funding for a European isotope separation plant—the only attraction Guillaumat saw in Euratom.[130] Thus he moved in late January 1957 to reverse earlier French positions. The common plant idea was dropped, and the French now sought to limit majority voting in Euratom's council and its control of fissile materials. The Germans and Benelux were stupefied at the French reversal but willingly agreed.[131]

125. MAE, série DE-CE, vol. 613, October 19, 1956, initialed Alexandre Kojève, "Note pour Monsieur Clappier. Objet: l'intégration européenne de la zone franc," quotation marks in original. This is the same Kojève who attempted to shunt the Schuman Plan into the OEEC in 1950.

126. Mahant, "French," 94, 105, 148.

127. Lynch, *France,* 204.

128. See remarks by Pierre Uri (Spaak's aide) in Serra, *Rilancio,* 310. Maurice Faure confirmed this in an interview. For a less partisan but similar analysis, see Gaëtan Mellaerts, *La genèse du marché commun* (Lausanne, 1968), 48.

129. A member of the French delegation told me Guillaumat was chosen to "oblige him to play the game." See also the account of Guillaumat's selection in Elgey, *Histoire,* 4:599.

130. For the technical and political reasoning behind the CEA's preference for a national project (which had been constant), see Scheinman, *Atomic,* 176–84.

131. Duchêne, *Monnet,* 298.

The two treaties were signed in Rome on March 25, 1957. In technical terms, the French pursuit of EEC/Euratom displayed a remarkable series of choices. Euratom—the project that had originally drawn French leaders into talks—was diluted to a minor collaboration.[132] In the EEC, the French had made the peculiar choice of first selecting the only institutional framework that implied automatic liberalization and major delegation of national control and then fighting for as many controls and safeguards as possible against liberalization within that framework. In political terms, these choices were even more remarkable. Mostly left-wing political leaders, while presiding over disastrous domestic economic policies, had ignored major opposition in their own parties and administration and actively lobbied reluctant interest groups in pursuit of the strongest liberalization plan in European history.

Ratification

Somewhat before the treaties were signed, in late January 1957, Mollet called a "preratification" Assembly debate to consolidate his support on the Common Market. He could count on slightly more than a third of the Assembly. Many Socialists were unenthusiastic about the liberal Market but felt they could not oppose an initiative identified so strongly with Mollet.[133] Many MRP deputies worried about liberalization and especially about the French Union, but they too held together in favor.[134] Alongside them were the score of strongly pro-community Radicals around Faure and Gaillard and a similar group of Independents around Paul Reynaud. Another third of the Assembly—the Communists, Poujadists, Gaullists, traditional Independents, and Mendès France's Radicals—were opposed out of concern for sovereignty, a protected national reconstruction, and the sanctity of the French union. The remaining third, mostly Independents and centrists, would decide the outcome.

Three reasons led most of this last third to vote favorably. First was pressure from the farmers' groups that Mollet's team had mobilized. Despite persistent divides in agricultural opinion on the EEC—with the strongest parliamentary opposition coming from the heavily agricultural Poujadists and Gaullists, and some prominent members of farmers' organizations still hostile—many rural politicians now accepted that the EEC offered attractive long-term contracts.[135] The farmers' support convinced skeptics among the Radicals, Inde-

132. When Guillaumat brought the Euratom treaty to de Gaulle in 1958, the general reportedly said, "Is this all it is?" Duchêne, *Monnet,* 299.

133. Mahant observes that internal SFIO opposition to the EEC "was almost completely kept from the public eye" and that these differences "cannot be identified with any other doctrinal or regional division within the SFIO." Mahant, "French," 154; see also Pascal Delwit, *Les partis socialistes et l'integration européenne: France, Grande-Bretagne, Belgique* (Brussels, 1995), 72; Byron Criddle, *Socialists and European Integration* (London, 1969), 82; Pinto Lyra, *Gauche,* 82.

134. In May 1957, of MRP voters with an opinion, less than half (48 percent) "approved" or "mostly approved" of the EEC. Bjøl, *France,* 145. See also Jean-Paul Brunet, "Le MRP et la construction européenne, 1955–1957," in *Le MRP et la construction européenne,* ed. Serge Berstein, Jean-Marie Mayeur and Pierre Milza (Paris, 1993), 233–50.

135. Inside the agricultural organizations, "[t]hese opponents were motivated by political, one

pendents, and even some dissident Gaullists. Second was the continued linkage to Algeria. Again many Independents and some Gaullists (and quietly, some MRP) voted mostly to preserve Mollet's policies there, not in Europe.[136] Third was the negligible public attention to the vote. All eyes were focused on the Algerian debacle.[137] The worsening economic crisis also convinced many that the EEC would go unimplemented in any case. With a question of confidence, the January vote passed by 331 to 207 (47 abstentions). This was widely seen as ensuring ratification in the formal vote, which came in July. In the interim, the farmers' organizations telegraphed all Assembly deputies to press for their support. With only a few minor shifts, and in an atmosphere of such indifference that only thirty deputies cast their votes in person, the Treaties of Rome were ratified by 342 to 239 (5 abstentions).[138]

CONCLUSIONS

France was not led to the EEC by liberals who wanted liberalization but feared a broader OEEC framework. To the contrary, on several occasions well into the discussions French economic officials and businessmen expressed preferences for an OEEC format over the Six.[139] Nor did farmers, technocrats, business, or Socialists coherently lead the way. All these groups were consistently divided on the EEC's appeal. Instead, the impulse to the EEC came from a diverse group of leaders who attached varying substantive goals to a shared model of a desirable Europe: the conservative industrialist Pinay, the Socialist party boss Mollet, the rural centrist Maurice Faure, the *inspecteur de finances* Robert Marjolin. These leaders' main coalitions were not built on European goals; like their opposition, their majorities were crosscut by European views. Nor were they the only possible coalitions. By far the most popular politicians in France during the EEC negotiations were its two strongest leaders before and after that process, Pierre Mendès France and Charles de Gaulle. They respectively incarnated the confederal and traditional strategies. Only because of pro-community leaders, and because crosscutting ideas gave those leaders the autonomy to choose, did France select this model of its interests in Europe.

The alternatives favored by other leaders suggest how much the pro-com-

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could even say psychological, objections. They felt unable to accept an institution in which France would be so closely associated with Germany or where she might lose some of her freedom of decision." Mahant, "French," 221.

136. *Le Monde,* January 24, 1957. See also Bjøl, *France,* 193.

137. In May 1957, 36 percent of French citizens had never heard of the Common Market, and 51 percent were unsure if France was a member. Jacques Duroselle, "La politique étrangère de la France et l'opinion publique," *Sondages* 20 (1958), 171.

138. The only significant shifts since January were the "no" votes of 19 Gaullists who had abstained in January (to support Mollet on Algeria, and because the institutional provisions of the treaty were still ostensibly undecided), and the "yes" votes of about 15 Independents who had voted "no" in January but wanted to support Mollet's Algerian policy. Balassa, "Organized," 242; Mahant, "French," 341.

139. The CNPF took no position on EEC ratification.

munity push mattered for European outcomes. The path of least resistance from French interest groups and bureaucrats led to a mix of confederal and bilateral ties. Confederal or traditional French leaders could have bent European outcomes to emphasize an OEEC-WEU Franco-British-German Europe, or toward a bilateral Franco-German partnership. Either way, the ECSC experiment of "little Europe" would have fizzled out in an increasingly marginal corner of the European economy. Liberalization would have moved forward gradually. In agriculture, no major deal would have broken the impasse of earlier talks. Bilateral export arrangements would have developed somewhat in the late 1950s, but no multilateral accord would have emerged. Furthermore, the next chapter will argue that had a broad multilateral agricultural deal not been struck before the fall of the Fourth Republic in 1958, it is very unlikely that any such accord would ever have developed. Just as no widely perceived need for an agricultural accord drove France to the EEC—even Milward calls this a myth that "ought to be laid to rest"—so the French were not somehow destined to find European solutions for their agricultural challenges in the 1960s.[140] The possibility of the later development of the Common Agricultural Policy, in other words, was created by the EEC deal.

Supporting this claim is one of the two tasks of chapter 4. The other is to explain why, if EEC/Euratom came to be only as a result of pro-community French leadership, this institutional arrangement survived when Charles de Gaulle brought other ideas to power in 1958. Despite his earlier criticism of community strategies, de Gaulle implemented the EEC and was responsible for the actual creation of the CAP. It was this consolidation of the Treaties of Rome that made them lasting aspects of the European landscape. Only the institutional construction of interests, I argue, explains this first step in the resolution of the French battle of ideas.

140. Milward, *European,* 283.

FOUR

Accepting the Community Model

> It was very difficult to get into the Common Market; it is still more difficult to get out.
>
> French Finance official
> JEAN-FRANÇOIS DENIAU,
> *La découverte de l'Europe*

In May 1958, wartime leader General Charles de Gaulle took power in France to avert civil war over Algerian independence. Until then, de Gaulle and his coterie had been among the most bitter opponents of supranationality and "little Europe." They had led much of the fight against the ECSC, EDC, and EEC. Political and economic crisis gave them excuses to delay, or even scrap entirely, the implementation of the Treaties of Rome. The EEC's advocates feared the worst.

But instead of reorienting France and Europe to a different institutional model, de Gaulle presided over the consolidation and even extension of the EEC. His government allied with the EEC Commission to defend the EEC against dissolution in the OEEC Free Trade Area. Liberalization was accelerated, and a supranationally managed Common Agricultural Policy (CAP) erected. Domestic French criticism of the EEC and the basic structure of the Six practically disappeared. Hostility to supranationality remained common, and de Gaulle made repeated attempts to dilute the EEC's supranational components. When negotiated changes failed, he even briefly boycotted the EEC institutions in 1965, forcing his EEC partners to agree to suspend the treaty's transition to majority voting and more supranational influence. Yet then de Gaulle relented, accepting the framework of the Six and a still-considerable role for the Commission and European Court of Justice. He had stalled further development along the community track but had kept France and Europe on that track. By the late 1960s, all of France saw clear interests in this Community.

For standard explanations of European institution building, the French acceptance of the EEC in the 1960s is hardly a mystery. Objective French interests pointed to the EEC all along, so France did not need to "accept" it. French interests in the EEC seemed only to increase after 1958. Economically, the EEC's agricultural promise was realized in a CAP that solidly benefited France. Liberalization drew the French economy out of its cocoon and into a remarkable boom. Trade with the extra-EEC world still seemed threatening, however,

and the EEC allowed France to avoid the FTA. Geopolitically, the consolidation of bipolarity and Germany's continued growth increased incentives to seek Franco-German leadership of a European "third way" in foreign policy. Britain, allied too closely to America, was kept out of the EEC to protect European autonomy. Neofunctionalists add that the EEC's supranational agents helped interest groups and governments to see these incentives by highlighting new package deals at the European level.

Indeed, the main puzzle for most accounts is why de Gaulle challenged the momentum of such an objectively favorable arrangement in the "empty chair" boycott crisis of 1965. They universally admit that if basic French interests in the EEC were clear, this institutional tinkering reflected the general's own ideological distaste for supranationality. Most geopolitical analyses make this concession comfortably, since they already make little attempt to distinguish leaders' ideologies from geopolitical imperatives.[1] The ambitious predictions of neofunctionalists, on the other hand, seemed falsified by de Gaulle's refusal of further supranationality. They felt forced to admit that ideological concerns ("dramatic-political actors") might contravene the "spillover" dynamics leading integration forward.[2] Moravcsik's liberal-economic account offers the same caveat, while maintaining that "[p]atterns of institutional pooling and delegation reflected . . . the need for credible commitments" among objectively rational governments.[3]

The role of ideology in the empty chair crisis is not challenged here. Nor do I reject the main arguments of any of the existing accounts. French actors increasingly perceived economic interests in the EEC framework, de Gaulle's reasoning reflected geopolitical concerns, and the EEC's supranational agents helped encourage its consolidation. But the preceding chapters point to a very different overall analysis of French strategies in the 1960s. Since the dominant accounts miss the causal importance of ideas in the choice of the community model in the EEC in the 1950s, they also miss the main mechanisms behind its broad acceptance in the 1960s.

Chapter 3 argued that the impulse to the EEC came from pro-community French leaders, not sectoral, bureaucratic, or party coalitions. The farmers'

1. Stanley Hoffmann, "De Gaulle, Europe, and the Atlantic Alliance," *International Organization* 18:1 (1964), 1–28; Jean Lacouture, *De Gaulle*, 3 vols. (Paris, 1974–86); Charles Cogan, *Charles de Gaulle* (Boston, 1996); Daniel Mahoney, *De Gaulle: Statesmanship, Grandeur, and Modern Democracy* (Westport, Conn., 1996); Pierre Maillard, *De Gaulle et l'Allemagne: le rêve inachevé* (Paris, 1990); Philip Cerny, *The Politics of Grandeur: Ideological Aspects of de Gaulle's Foreign Policy* (Cambridge, 1980); Edward Kolodziej, *French International Policy under de Gaulle and Pompidou: The Politics of Grandeur* (Ithaca, 1974); W. W. Kulski, *De Gaulle and the World* (Syracuse, 1966); Philip Gordon, *A Certain Idea of France: French Security Policy and the Gaullist Legacy* (Princeton, 1993); Institut Charles de Gaulle, *Approches de la philosophie politique du général de Gaulle* (Paris, 1983); Élie Barnavi and Saul Friedländer, eds., *La politique étrangère du général de Gaulle* (Geneva, 1985).

2. Preface to Ernst Haas, *The Uniting of Europe: Social, Economic, and Political Forces, 1950–57*, 2d ed. (Stanford, 1968).

3. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998), 161.

rally was crucial to the EEC's ratification, but they demanded no such strategy. The implication is that nothing would have pushed leaders with different ideas to a similar deal before 1958. This chapter makes two further arguments. First, had de Gaulle not inherited the EEC, nothing would have pushed him to anything like it *after* 1958. In fact, an EEC-like outcome in European bargaining became much less likely after 1958 than before. Second, the pressures that led de Gaulle to accept the EEC thus derived from the EEC deal itself. The expectations engendered in the EEC set the context for de Gaulle's policy decisions.

AN EEC-LESS EUROPE

Two questions structure the chapter. The first is counterfactual: In the EEC's absence, what would a de Gaulle government after 1958 have been likely to do in Europe?

De Gaulle's Agenda

De Gaulle made no secret of his basic agenda before and after 1958. He would restore French strength politically, economically, and symbolically.[4] Domestically, this meant forming a presidential regime, ramming through economic reforms, and building a French atomic bomb. Internationally, it meant rebalancing the Atlantic Alliance and NATO away from American control, elaborating distinctive French positions on East–West and North–South relations, and securing support for these positions from the other power between the superpowers: Germany.

The community model of the Six had no place in these supremely traditional plans. De Gaulle had opposed community policies since their inception. He had publicly denounced the ECSC and EDC. The "imbroglio of pools" proposed in 1950–52, of which the "artificial monster" of the EDC was the worst, reflected Schuman's "false idea" that sovereignty could be compromised.[5] Not only was supranationality politically absurd and technically unnecessary, but this "little Europe" was a straitjacket on France's global vocation.[6] Cooperation in Europe was important—above all with Germany—but was desirable to support, not replace, broader French goals. The United States, the Soviet Union, and Britain were France's natural peers, Germany its natural lieutenant.

De Gaulle was less outspoken on the post-Messina "relaunch." He withdrew from political life in 1955, disgusted with party politics and betrayed by his

4. On de Gaulle's personal thinking, see Lacouture, *De Gaulle,* 313–17; Gordon, *Certain,* 9–22; Stanley Hoffmann, "De Gaulle as Political Artist: The Will to Grandeur," in *Decline or Renewal? France since the 1930s,* ed. Hoffmann (New York, 1974), 202–53.

5. The quoted phrases were used by de Gaulle respectively on October 8, 1952, April 7, 1954, and December 21, 1951 (just after the ECSC's ratification). Cited in Paul Reynaud, *La politique étrangère du gaullisme* (Paris, 1964), 27; Roger Baillet, *De Gaulle et l'Europe* (Lyons, 1979), 28, 37.

6. Baillet, *De Gaulle,* 33. De Gaulle ridiculed functional arguments for supranational institutions on many occasions. Raymond Poidevin, "De Gaulle et l'Europe en 1958," in *De Gaulle en son siècle,* ed. Institut Charles de Gaulle, 7 vols. (Paris, 1990), 5:79–93.

Gaullists' participation in the parliamentary majority. But his recorded comments on the two new communities echoed his earlier views. He was frankly opposed to Euratom, agreeing with Pierre Guillaumat (who became his defense minister in June 1958).[7] He cared less about the EEC. He was persuaded that it "would never actually work."[8] When Gaullist deputies asked his opinion on the EEC's ratification in early 1957, he reportedly said, "And so? You can certainly pass this treaty—there is nothing in it."[9] More explicitly, he told Michel Debré to refrain from his harsh attacks on the treaty, saying, "What for? Once we have returned to power, we will tear up those treaties."[10] He remarked at one point that the EEC's supranationality was "monstrous."[11] His closest devotees voted against ratification, and he briefly considered renegotiation in 1958 (see below).

De Gaulle later said that under his leadership, Europe in the 1950s would have developed in "a fairly different manner."[12] He would have seen no reason to overrule domestic opposition to discuss the Messina plans. Instead, he would have followed the traditional tracks described in chapter 3. In atomic energy, he favored absolute independence. He would have refused even bilateral cooperation with Germany—as he did in 1958.[13] In trade, de Gaulle would have made unilateral moves to stabilize the domestic economy, devalue the franc, and open markets, at least partly within the nonsupranational (and so mostly unobjectionable) OEEC—as he did in 1958 (see below). In agriculture, he would have preferred to develop the Franco-German bilateral contracts initiated under Mendès France in 1954–55.

No one disputes that personally, de Gaulle was unlikely to have conceived an EEC-like Europe. He had other plans. Most accounts argue or imply, however, that even he would have been pressed to an EEC-like strategy by domestic or international pressures.

Domestic French Pressures

Common wisdom holds that after pushing for the EEC, French farmers demanded the elaboration of the CAP. French business supposedly called for liberalization within the safe framework of the Six. In fact, French agricultural groups did not favor pursuing a CAP until 1961–62. French business opposed de Gaulle's initial steps in liberalization that allowed implementation of the

7. Bertrand Goldschmidt, *Le complexe atomique* (Paris, 1980), 149.

8. Remark to U.S. ambassador Douglas Dillon, January 10, 1957. Gérard Bossuat, *L'Europe des Français, 1943–1959: La IVe République aux sources de l'Europe communautaire* (Paris, 1996), 385.

9. Daniel Villey, "Le marché commun dans l'optique européenne," *Revue d'économie politique* 68 (1958), 29.

10. Edmond Jouve, *Le Général de Gaulle et la construction de l'Europe (1940–1966)*, 2 vols. (Paris, 1967), 1:253; Kulski, *De Gaulle*, 198.

11. Baillet, *De Gaulle*, 28.

12. Alain Peyrefitte, *C'était de Gaulle*, 2 vols. (Paris, 1994), 1:211.

13. De Gaulle immediately ended the bilateral Franco-German cooperation that developed parallel to Euratom in 1956–58. Bossuat, *L'Europe*, 380.

EEC in 1959. Thus even given the EEC, interest groups did not quickly recognize interests in developing it. When they shifted to clearly favor the EEC in the early 1960s, this was a belated acceptance of a framework they had not demanded. They did not push anyone into "little Europe," and there is no reason to think they would have insisted on it in its absence.

Until 1961, French agricultural groups kept the views they had elaborated in the Green Pool talks. Export deals were desirable, but competition was not. Bilateral contracts were preferable to any remotely liberal arrangement. Competitive wheat and sugar-beet growers shared this position with small producers in fruits and vegetables, meat, and milk. They had been persuaded to support the EEC in 1957 because it promised a twelve-year transition period of safe intergovernmental contracts. They were delighted with the sole such contract, between France and Germany in February 1959.[14] They hoped an eventual CAP would multiply such contracts but feared it might reflect liberal Dutch plans—and so preferred to retain the transitional arrangements as long as possible. Through mid-1960, the FNSEA was "absolutely opposed" to Dutch calls for accelerated movement to a CAP.[15] As late as February 1962, French farmers had no greater expectations of benefits from the EEC than the general French populace.[16]

Around 1960–61, however, farmers' positions began to change under pressure from their own government. The economic stabilization program in December 1958 (see below) abolished some farm subsidies and the indexation of agricultural prices on inflation. Though this led to major rural unrest in 1959–60, the government further announced in spring 1960 that its new focus was "structural reform." Instead of paying to maintain uncompetitive farms, it would invest to improve productivity. The government began to encourage an emerging movement of young farmers who favored reform over price supports. By 1961–62, pro-reform figures were taking over the FNSEA. It shifted to pushing for rather than blocking structural reforms.[17] This brought a shift on Europe as well. The government's downgrading of price supports made potential European price supports more important. French prices were the lowest in Europe, especially for cereals and sugar, so a European regime would

14. Germany pledged to buy more than 700,000 tons per year of French cereals at prices that would gradually increase over twelve years, from slightly above world prices to internal German prices (the highest in Europe). The limit on the size of this contract was not German reluctance but poor harvests in France; this was as much as France had to export in 1959. See *Le Monde,* April 19–20, 1959; Hélène Délorme and Yves Tavernier, *Les paysans français et l'Europe* (Paris, 1969), 28.

15. FNSEA resolution of September 21, 1960, cited in Délorme and Tavernier, *Paysans,* 29; also see Edmund Neville-Rolfe, *The Politics of Agriculture in the European Community* (London, 1984), 116.

16. As with the general populace, 32 percent of farmers thought they would benefit from the EEC, 13 percent thought they would be disadvantaged, 25 percent thought the benefits uncertain, and 25 percent had no response at all. Dusan Sidjanski, "Les syndicats et les groupes de pression français face à l'intégration européenne," in *La France et les Communautés européennes,* ed. Joël Rideau (Paris, 1975), 185–231.

17. John T. S. Keeler, *The Politics of Neocorporatism in France* (New York, 1987).

raise French prices. Higher productivity would also mean even greater surpluses to export. Wheat and sugar producers hesitantly began to pursue a CAP, with other sectors following with various degrees of reluctance.[18]

Thus even given the EEC, French farmers did not demand a CAP until 1961–62. In an EEC-less Europe, they would likely have preferred simpler Franco-German deals even then. Germany remained the only major agricultural importer in the Six.[19] In 1962 French and German farmers still opposed liberal Dutch plans, whether for low-price free trade within Europe or for low barriers against extra-European imports.[20] An easier solution than a Six-based deal—and one de Gaulle would have preferred—would have been a loose Franco-German "agricultural union." Bilateral links to higher-priced German agriculture could have given French farmers the price supports and export markets they wanted, and Adenauer was open to this format (see below).

French business, like farmers, was unlikely to have pushed de Gaulle to seek new community-style institutions in an EEC-less Europe. Through 1958, business retained its attitude that any real trade liberalization was too dangerous—the attitude that had led them to favor weak OEEC deals over the automatic, supranational Common Market. When de Gaulle's government began studying a harsh stabilization, liberalization, and devaluation plan in late summer 1958, business leaders were shocked. They had long wanted devaluation and fiscal austerity, but the accompanying proposals to immediately liberalize OEEC quotas to 90 percent, fulfill the first EEC tariff reduction of 10 percent, and abolish many industrial subsidies were seen as intolerable.[21] One CNPF spokesman told the secret Rueff Committee that the plan was "stupid."[22] Most high Finance officials and the finance minister, Antoine Pinay, agreed with business: "The general sentiment was that France would not survive such medicine."[23]

When business leaders' fears of liberalization proved unfounded, however, they partly revised their views. The Rueff Plan, applied in January 1959 thanks to de Gaulle's personal intervention, was immediately successful. The devaluation of 17.5 percent gave a huge boost to exports: 1959 exports to the Six rose 36 percent over 1958, while imports rose only 11 percent. French exports to

18. Most members of farmers' organizations were still very hesitant on the CAP. The annual FNSEA congress in March 1961 featured a report titled "Neither Premature Defeatism nor Exaggerated Optimism for the Common Market," presented amid "general indifference" to a hall "nine-tenths empty." *Le Monde*, March 2, 1961.

19. The Italians became major cereals importers later in the 1960s, but this was an unpredicted development. Until then, they were seen in France as a competitor in fruits, vegetables, and wine. Délorme and Tavernier, *Paysans*, 79.

20. Pierre Barral, *Les agrariens français de Méline à Pisani* (Paris, 1968), 326.

21. Paul Fabra, "Le plan de 1958 dans l'histoire économique contemporaine, une voie alternative aux politiques d'austérité," in *1958, La faillite ou le miracle: le plan de Gaulle-Rueff*, ed. Institut Charles de Gaulle (Paris, 1986), 123–48.

22. Lacouture, *De Gaulle*, 2:673.

23. Jean-Marcel Jeanneney in Institut Charles de Gaulle, *1958*, 52.

Germany rose almost 38 percent.[24] Growth took off at almost 7 percent, and inflation stayed calmly below 4 percent. This convinced French business that they could survive Six-based liberalization—but only Six-based liberalization. They called for rejecting the British FTA plan and for maintaining relatively high EEC tariffs vis-à-vis third countries in general. Within the EEC, they began to call cautiously in summer 1959 for *accelerating* the liberalization schedule. This would help undercut the FTA by widening the divorce between EEC and OEEC trade. More positively, some French business was now truly enthusiastic for freer trade among the Six.

Thus even given the EEC, French business did not call for implementing it until after the devaluation in 1959. In an EEC-less Europe, they would likely have preferred an OEEC format even then, for two reasons. First, business actors remained critical of supranational institutions; they preferred more classic tariff accords that allowed for unilateral safeguards. Second, pressure for rapid OEEC liberalization would have been less without the EEC. Again, all sources agree that the British advanced the FTA plan only to avoid being shut out of the EEC.[25] Had the French flatly rejected the Common Market proposal in 1955–56—as almost everyone expected them to do, especially the British—the Germans, Benelux, and British would have continued their gradual push for OEEC liberalization. The worsening French economic situation through 1958 would have made major new initiatives still less likely. Once de Gaulle's unilateral steps had met all of France's OEEC obligations in 1959—and brought a huge competitive devaluation that boosted exports to Britain as well—French business would again have had little reason to demand a tight, automatic framework for continental liberalization over the loose OEEC forum.

Domestically, then, neither French farmers nor French business was likely to have insisted on an EEC-style "little Europe" arrangement in the late 1950s and early 1960s. Adding the international dynamics of an EEC-less scenario makes the supposed imperatives to the EEC look even weaker. Even had French interest groups or de Gaulle himself decided after 1958 that they wanted a "little Europe" trade and agriculture deal, they were very unlikely to have obtained it.

24. Leon Lindberg, *The Political Dynamics of European Economic Integration* (Stanford, 1963), 171–73.

25. Richard Griffiths, "British Policy towards the Common Market, 1955–60," in *Britain's Failure to Enter the European Community, 1961–63*, ed. George Wilkes (London, 1997), 35–50; N. Piers Ludlow, *Dealing with Britain: The Six and the First UK Application to the EEC* (New York, 1997), 27; Simon Burgess and Geoffrey Edwards, "The Six Plus One: British Policy-Making and the Question of European Economic Integration, 1955," *International Affairs* 64:3 (1988), 393–413; John Young, "'The Parting of the Ways'? Britain, the Messina Conference and the Spaak Committee, June-December 1955," in *British Foreign Policy, 1945–56*, ed. Young and Michael Dockrill (London, 1989), 197–224; Miriam Camps, *Britain and the European Community, 1955–1963* (Oxford, 1963), 45–53, 93–129.

International Bargaining and the EEC's Historical Window

Chapter 3 argued, with no objection from the historical literature, that France's European partners in 1955 generally preferred OEEC liberalization and bilateral agricultural deals to the Common Market. The Benelux and Germany ultimately pursued the EEC because (to their surprise) the French agreed to consider liberalization in that smaller framework. Believing that French fears made the EEC the only immediate option in liberalization, they were willing to forgo their first preference. In other words, as Moravcsik and Milward argue, France's economic weakness gave its leaders the leverage to reorient European bargaining to "little Europe."[26]

Had French leaders not pursued a Six-based liberalization arrangement before 1958, however, subsequent European bargaining would have taken place in a very different setting. If de Gaulle had taken power in an EEC-less Europe, he still would have enacted a unilateral plan to right the French economy; all accounts agree that his reasons for pushing the Rueff Plan were separate from EEC issues as he saw them.[27] Its success, however, would have deprived France of the weakness underlying its earlier bargaining power. After French liberalization and devaluation, the other governments would have had little reason to concede side payments and a "little Europe" framework to a France with the continent's fastest growing economy, in full respect of OEEC deals, and with a business lobby that was warming to liberalization.

The lack of a "little Europe" trade deal would have undercut de Gaulle's leverage in agriculture as well. In an EEC-less Europe, de Gaulle would have lacked the central tactic he used to extract the CAP from the reluctant Germans after 1961: threats to destroy the Common Market. Even with this leverage, the CAP talks from 1961 to 1967 almost failed several times. Without it, the Germans would have had little reason to stifle their major domestic opposition to the CAP. French threats to withdraw unilaterally from the OEEC or other trade accords would not have carried the same menace of disruption as a pullout from the EEC's elaborate institutions. As a result, de Gaulle would have likely turned to direct deals with Germany. Franco-German talks, distanced from the Dutch plans both countries' farmers disliked, could have brought significant export accords while Adenauer remained as chancellor. As it was, Adenauer agreed to the major 1959 bilateral contract and even proposed initially that de Gaulle's plans for political cooperation take place in a bilateral framework.[28] But whatever de Gaulle and Adenauer could have fash-

26. Moravcsik, *Choice,* 138–50; Alan Milward, *The European Rescue of the Nation-State* (Berkeley, 1992), 220.

27. Jacques Rueff, *De l'aube au crepuscule* (Paris, 1977), 176.

28. See above on this major twelve-year agricultural deal. Adenauer suggested a bilateral framework for political cooperation in 1960, but de Gaulle—anxious to use the EEC to exclude the British—insisted on the framework of the Six. Adenauer also suggested the Franco-German treaty of 1963 when the Fouchet Plan in the EEC fell apart. See below, and Georges-Henri Soutou, "Le général de Gaulle et le plan Fouchet," in Institut Charles de Gaulle, *De Gaulle,* 5:126–43.

ioned, the eighty-six-year-old German chancellor's replacement by Ludwig Erhard in early 1963 closed the window on any major agricultural deal. Failing a prior German commitment to the CAP, the leading German opponent of "little Europe" was very unlikely to have struck a similar deal.[29] The search for a European agriculture arrangement would have stalled, as it had until 1955.

Overall, broad European trends in the late 1950s and 1960s made a supranational "little Europe" increasingly less likely, not more, relative to other institutional options. France's growing industrial competitiveness made the EEC less necessary for its business, and less acceptable to its partners, than intergovernmental OEEC liberalization. If increasing agricultural surpluses convinced de Gaulle to look toward a CAP around 1960–61, they also made the Germans all the less willing to lock themselves into an elaborate accord to fund French agriculture. The long-expected shift in German leadership from Adenauer to Erhard in 1963 would have narrowed the agricultural bargaining space to modest bilateral arrangements. Lacking the EEC, then, domestic demands would not have pushed de Gaulle to community strategies before the international window for a community deal closed. The community model would have faded into the past as a failed experiment.

DE GAULLE'S CHOICES

The second question structuring this chapter concerns real history: Why did de Gaulle do what he did, accepting and accelerating the EEC, pushing for the CAP, and then provoking the empty chair crisis? Having argued counterfactually that personal ideology, domestic demands, and international pressures would not have pushed de Gaulle to EEC-like strategies in and after 1958, I now argue factually that they did not. Instead, the pressures on de Gaulle came from the constellation of constraints and opportunities he inherited from the EEC deal. This argument echoes the most detailed archival and contemporary accounts of de Gaulle's choices. Raymond Poidevin notes, "Between May and December 1958, General de Gaulle became interested in Europe primarily due to the heritage left him by the Fourth Republic."[30] Edmond Jouve is more trenchant: "In 1958, General de Gaulle found himself constrained to pursue an enterprise begun by others."[31]

De Gaulle's European policies went through four phases. First, very briefly, he considered renegotiating the Treaties of Rome. Second, he decided to accept the EEC and orchestrate his European diplomacy around it. Third, he

29. Marjolin wrote that if discussions had continued in the OEEC instead of moving to the EEC in 1956–57, "[t]he Germans, especially after the departure of Adenauer, would probably not have ceded to the French demands on the Common Agricultural Policy, knowing from the [OEEC] example that another commercial system, excluding agriculture but giving them the same advantages that they had found in the Common Market, was possible." Robert Marjolin, *Le travail d'une vie: mémoires 1911–1986* (Paris, 1986), 317.

30. Poidevin, *De Gaulle,* 79.

31. Edmond Jouve, "Le Général de Gaulle et l'Europe," in Rideau, *France,* 49–62.

pressed forward on several fronts, accelerating EEC liberalization, blocking the British application for membership, attempting to revise the EEC institutions, and pursuing the CAP. Fourth, having failed to revise the EEC, he launched a direct assault on supranationality via the "empty chair." The overall result was that community-style European relations were consolidated and then frozen. France committed to the community track but refused new progress along it.

Brief Initial Plans: Renegotiation

Upon assuming power in May 1958, de Gaulle suggested he would renegotiate the EEC. At a meeting to shore up support for de Gaulle's return, Antoine Pinay asked, "You wish to alter [the treaty]? In what direction?" De Gaulle answered, "Why, in the direction of improvement, my friend!" He told Guy Mollet, "The Common Market is an excellent thing, my friend, but I find it, shall we say, a bit constrictive [*étriqué*]. We shall see!"[32] Privately, de Gaulle instructed advisors in early June to draw up plans for treaty revisions.[33] He made no public mention of the EEC through summer 1958. A June statement from Foreign Minister Maurice Couve de Murville said the treaty would be implemented "in accord with the French economic situation."[34]

The idea of renegotiation remained under discussion among de Gaulle's close associates through late fall 1958. In December 1958, the foreign affairs commission of his party (the Union pour la Nouvelle République, UNR) adopted a bitter report attacking the EEC's supranationality and demanding unspecified revisions.[35] But a few days later it was quietly retracted and replaced with wording praising the EEC's advantages for France.[36] Nor was the government's internal study of potential revisions in June ever presented. In fact, as early as mid-June 1958, de Gaulle had decided not to revise the EEC.

Accepting the EEC

Records show that de Gaulle quickly decided to accept the EEC "as is" for the moment. All his comments were phrased negatively, as something to be accepted, not sought. On June 10 he described the EEC as "in itself not a bad thing."[37] To British foreign minister Macmillan, he went further: "We can't tear up what has been done," he said; "ultimately, we aren't hostile to this policy." He promised Italian premier Amintore Fanfani, Belgian foreign minister Pierre Wigny, and Adenauer that France would apply the treaty as best it could. But to each he also noted his hostility to its supranationality and his hope that the Six could step beyond the EEC to political cooperation. His new view was

32. Christine Rimbaud, *Pinay* (Paris, 1990), 365.
33. Jouve, *Général,* 1:202.
34. Ibid., 1:195.
35. Ibid., 1:202.
36. *Le Monde,* December 20 and 21–22, 1958.
37. In an interministerial meeting, cited in Gérard Bossuat, "Le choix de la petite Europe par la France (1957–1963)," *Relations internationales* 82 (1995), 213–35.

expressed succinctly in December 1958 to a British diplomat: "The Common Market is simply an improved treaty of commerce that does not alter the sovereignty of the Six, notably in political matters. It is time that France reappear with her own personality and her full sovereignty, and it is not the Common Market that is going to stop her."[38] To Adenauer he said that while France would implement the EEC, "France, from the strict point of view of national interest, and in profound difference from Germany, has properly speaking no need of a West European organization, since the war did not take away either its reputation or its integrity."[39]

According to the best historical accounts and interviews with de Gaulle's collaborators, three considerations convinced him to accept the EEC.[40] First, as Couve de Murville told me, if "de Gaulle rallied little by little to the economic arguments, he wanted the Common Market above all for political reasons."[41] He saw accepting the EEC as necessary to convince the other Europeans to support his agenda of foreign policy cooperation and rebalancing NATO.[42] Their assent would have been practically unimaginable if de Gaulle's first act had been to scrap the treaty, as Adenauer made explicit at their first meeting in September 1958.[43] At the same time, de Gaulle's plans also meant separating the EEC countries from the British, who defended American dominance. The EEC had already accomplished this, though with the very un-Gaullist device of supranationality. Defending "little Europe" thus gave de Gaulle a chance—if only a chance—to win the trust of the Six, distance the British, and pursue his global agenda.[44] He seized this opportunity, turning the EEC to an agenda entirely different from that of its French creators. Poidevin summarizes, "To counter the English, he played the card of respect of the letter and spirit of the Treaty of Rome—a beautiful diplomatic weapon of which he perhaps did not yet suspect the consequences at the moment of his return to power."[45]

The economic arguments for the EEC were a distant second, if not without weight. De Gaulle's more liberal advisors (Couve de Murville, Georges Pompidou, Jacques Rueff) argued that EEC liberalization was an important step for the economy. Most agreed that the FTA plan was too threatening and had no

38. Paraphrase in Poidevin, *De Gaulle,* 80.

39. See de Gaulle's own record of his meeting with Adenauer in September 1958, cited in Charles de Gaulle, *Mémoires d'espoir,* 2 vols. (Paris, 1970–71), 1:181.

40. This section is based largely on interviews: Maurice Couve de Murville, Paris, March 11, 1998; Jean-Marc Boegner, Paris, March 6, 1998; Maurice Ulrich, Paris, March 6, 1998.

41. Interview. Poidevin notes the economic arguments as well, but in a sentence that begins, "Certainly the general's dominant preoccupation was political, but . . . ." Poidevin, *De Gaulle,* 82.

42. Bossuat paraphrases de Gaulle in an interministerial meeting on November 18 as saying he "refuses a crisis between the Six because he realizes that Adenauer highly values the Treaties of Rome." Bossuat, *L'Europe,* 393.

43. The chancellor stated that implementing the EEC was a precondition for good Franco-German relations. Interview, Boegner, who attended the meeting. Also Jouve, *Général,* 1:211.

44. Lacouture presents this as de Gaulle's main motivation in endorsing the EEC. *De Gaulle,* 2:630.

45. Poidevin, *De Gaulle,* 87.

political support in France, making a defense of the EEC all the more appealing. There is little evidence that agricultural questions played much of a role in the discussions. As de Gaulle later wrote, the general impression at the time was that the treaty's vague mention of a CAP "did not resolve the question of agriculture."[46] At best, its transitional arrangements and promise of a potential permanent deal in agriculture were a minor factor in de Gaulle's thinking.[47]

De Gaulle's third motivation to accept the EEC was to consolidate his domestic support. Just as blocking the EEC would have frustrated his international interlocutors, so it would have frustrated the EEC's French supporters across the political spectrum. Many French politicians questioned the legitimacy of de Gaulle's installation as premier under the threat of a military coup by the army in Algeria. Endorsements from Guy Mollet, the MRP, and Independents like Antoine Pinay were important to rule out major domestic challenges to de Gaulle's domestic control. Given the uncertain constitutionality of his arrival, de Gaulle was particularly eager to show that he would respect legal treaties, "keeping France's word."[48]

Each of these pressures derived from expectations engendered by the EEC deal itself. Internationally, as argued above, France's partners were not about to demand a "little Europe" arrangement on their own. They had signed the EEC treaty because this was the deal de Gaulle's predecessors were willing to strike; now Adenauer and the others insisted on it not because it was the deal they most preferred but because it was a set of acceptable commitments to which they could hold the unpredictable new French regime. Similarly, without the EEC, the British would have been unlikely to insist aggressively on an FTA; de Gaulle's incentive to use the EEC against the FTA was a response to a response to the EEC initiative. In terms of French economic policies, several of de Gaulle's advisors favored some liberalization before and after 1958, but none had been champions of the Common Market.[49] Like most French elites, they came to support this framework for liberalization only as a consequence

46. De Gaulle, *Mémoires,* 1:186.

47. Neither Poidevin's archival study of de Gaulle's decision in 1958 nor the analyses by Edmond Jouve or Jean Lacouture make any mention at all of agriculture. It is mentioned as a secondary consideration by de Gaulle advisor Pierre Maillard and in passing in Couve de Murville's memoirs. Poidevin, *De Gaulle;* Jouve, *Général;* Lacouture, *De Gaulle,* 3:316; Maurice Couve de Murville, *Une politique étrangère, 1958–1969* (Paris, 1971), 38–44; Pierre Maillard, *De Gaulle et l'Europe: entre la Nation et Maastricht* (Paris, 1995), 135–68. Jeffrey Vanke's archival work reaches the same conclusion; Vanke, "Reconstructing de Gaulle," *Journal of Cold War Studies* 2:3 (2000), 87–100. Moravcsik's argument that de Gaulle endorsed the EEC largely to pursue the CAP is based on remarks (cited in Peyrefitte, *C'était,* and undated in Moravcsik's book) made in 1963—almost five years later! Moravcsik, *Choice,* 180. For a more elaborate version of this odd claim, see Andrew Moravcsik, "De Gaulle between Grain and *Grandeur* (Part I)," *Journal of Cold War Studies* 2:2 (2000), 3–43.

48. Jouve, *Général,* 1:212; Poidevin, *De Gaulle,* 81.

49. Couve de Murville believed as late as January 1957 that the EEC negotiations would fail. He reported after meeting with German foreign minister Heinrich von Brentano that no satisfactory treaty deal could be reached with the Germans. MAE (Archives Diplomatiques du Ministère des Affaires Étrangères), série DE-CE, vol. 614, January 28, 1957, "Telegramme Bonn-Paris."

of pro-community leadership, not from their own spontaneous choice. Domestically, if Mollet, Pinay, and the MRP could make their support for de Gaulle conditional on supporting the EEC treaty, they could hardly have forced him to negotiate a similar deal in its absence.

In 1958, the pressure on de Gaulle to accept the EEC reflected the new expectations of his international and domestic interlocutors. These constraints had no physical manifestation; scuppering the initial EEC offices in Brussels would have entailed no major financial costs or organizational complications. No changes in national policy-making had yet been made. But by making complex new institutional commitments, de Gaulle's predecessors altered how he could interact with the rest of Europe. In order to gain the goodwill of actors important to his own agenda, he felt pressed to build that agenda around the EEC legacy.

De Gaulle's EEC-Based Strategy

De Gaulle's subsequent policies in Europe consistently applied the strategy he developed in accepting the EEC. His goal, said a confidant at the time, was "a British Europe without the British."[50] He would squeeze what political and economic advantages he could from the framework. Politically, he would use it to undercut Britain's ties to the continent and FTA plan. In parallel, he would try to win support from the Six for his global ambitions, while reasserting control over the EEC's supranational institutions. Economically, he began to see the potential for a profitable CAP in late 1960. As his political ambitions failed in 1961–62, he cut back his EEC goals to the CAP alone, threatening to destroy all of the EEC to obtain that deal. Once the CAP was won, he used more threats in the empty chair crisis to undercut supranationality. If he could not have his Europe, he would at least block the development of a supranational one. These plans were explicit in secret instructions to Prime Minister Michel Debré in October 1960: "As for the various Communities, let us not have the air of taking them on directly, nor the treaties that created them. If we succeed in creating the Europe of the cooperation of states, the Communities will be ipso facto put in their place. It is only if we do not succeed in creating a political Europe that we will be led to directly take on the first fruits of integration."[51]

Keeping the English Out with the EEC

The first item on de Gaulle's European agenda was to kill the FTA. He would pose as "defender" of the EEC against dilution in a broader accord, protect French business against wider liberalization, and safeguard the EEC's agricultural contracts. The FTA talks, bogged down since the economic crises of late 1957, were unceremoniously ended by the French in November 1958.[52] Although the rest of the Six complained, de Gaulle's simultaneous acceptance of

50. Jouve, *Général,* 1:498.

51. Charles de Gaulle, *Lettres, notes et carnets, juin 1958–décembre 1960* (Paris, 1985), 399.

52. The French actually managed to provoke the British into breaking off the talks. Bossuat, "Choix," 223.

the EEC convinced many that he was a "real European," willing to develop the Community. Even Jean Monnet voiced confidence in him.[53] The general had taken the first step to getting Europe to listen to him.

But the other governments did not easily drop the OEEC and ties to Britain. Adenauer and the Benelux strongly favored an FTA alongside the EEC's institutions. Erhard and German industry openly shared British hopes that the EEC would simply dissolve in the wider arrangement. The other governments soon pressed the French to accept a council resolution asking the EEC Commission to find a new basis for FTA talks. Now, however, the ironic fit between the EEC institutions and de Gaulle's distinct agenda clarified. The Commission feared the FTA for the one reason de Gaulle did not: that it would undercut the EEC's supranationality. Nonetheless, they forged an odd alliance. Through summer 1959, French diplomats and the Commission dragged their heels against the other states' demands for FTA talks.[54]

In fall 1959, a new opportunity opened to undercut the FTA once and for all. The EEC was booming. With support from Belgian and French business associations, the Commission called for capitalizing on the conjuncture with an acceleration of the EEC's liberalization schedule. For the Commission, this had the added benefit of further distancing EEC trade from the FTA threat. De Gaulle soon saw the same advantage. To general surprise, the French made a concrete proposal for acceleration in November 1959. The 10 percent EEC tariff reduction scheduled for January 1962 would be added to that of July 1960, making it 20 percent. In addition, EEC members would take the other step scheduled for January 1962, the first move to a common external tariff.[55]

The French proposal infuriated the Dutch, Erhard, and German industry (not to mention the British). It was difficult to oppose the faster liberalization they had long demanded from Paris. Worse, since the common tariff was higher than German and Benelux levels, the plan further separated intra- and extra-EEC trade in two ways, lowering intra-EEC tariffs and raising its external wall. Erhard replied with a salvo of open attacks on the EEC and echoed calls from German business to decelerate EEC liberalization to gain time for FTA negotiations.[56] But Adenauer was simultaneously warming to de Gaulle's plans for political cooperation (see below) and opted to consider the French plan. The Dutch, meanwhile, decided that the French plan was acceptable—if extended and linked to progress to a CAP. They suggested that there be a 20 per-

53. Ibid.

54. See Lindberg, *Political,* 141–54; Camps, *Britain,* 189. Meanwhile, the British tried to put more pressure on the Six by creating their own European Free Trade Association (EFTA) with non-EEC countries (Sweden, Norway, Iceland, Denmark, Switzerland, Austria) in July 1959. EFTA tariff reductions would catch up to intra-EEC levels by July 1960 and then move in lockstep with the EEC schedule.

55. Olivier Wormser, head of the Quai's Economic Affairs and opponent of the ECSC, EDC, and initially EEC, was the mastermind of this policy. Wolfram Hanrieder, *West German Foreign Policy, 1949–1963* (Stanford, 1967), 168.

56. On the public split between Adenauer and Erhard, see Camps, *Britain,* 200.

cent tariff cut affecting both the EEC and the other OEEC members (most of whom the British had now grouped in their European Free Trade Association, EFTA); that the first step to the common tariff be taken, but that its final level be cut 20 percent as well; and that construction of the CAP begin.

Several months of difficult talks among the Six ensued. De Gaulle was comfortably poised as the champion of simply accelerating the EEC treaty as it stood. The Commission largely agreed with him. Adenauer accepted the basic French plan, given a reduction in the common tariff. Internal Dutch battles arrived at a similar point, plus insistence on accelerating agriculture.[57] The result was a deal in May 1960 that community advocates saw as a major victory. December 1960 would see a 20 percent internal tariff cut and the first step to a common tariff, as France proposed.[58] The final common tariff would be reduced by 20 percent. On agriculture—the most difficult issue—a French compromise reconciled the Dutch and the Germans. The French sided with the Germans to oppose Dutch calls for quick agricultural liberalization, but de Gaulle now accepted the Dutch push to move up construction of the CAP (see below). Agricultural protection would decrease slightly, and the Council of Ministers would make "some progress" to outline the CAP by the end of 1960. The French thus sidestepped Dutch demands for agricultural liberalization but agreed to set the CAP in motion.[59]

The May 1960 acceleration deal marked the beginning of the end for the FTA. From de Gaulle's perspective, a break with Britain was the main goal, not substantive progress in liberalization or agriculture inside the EEC. The French alone vetoed more ambitious Commission proposals for a series of 20 percent EEC tariff reductions (rather than just one) and were the strongest opponents of lowering the common external tariff. Nor were the French demanding a swift push to the CAP when the acceleration discussions began; it was the Dutch who linked acceleration to agriculture. De Gaulle accelerated the EEC for the negative reasons of keeping some economic protection and preventing the British from intruding on his political designs among the Six.

De Gaulle's reasons for distancing the United Kingdom only became stronger when Prime Minister Harold Macmillan decided to apply for EEC membership in summer 1961. Politically, de Gaulle's crusade to gain European support for altering NATO was reaching its zenith. British ties would reinforce Dutch and German hostility to these plans. Economically, the CAP was starting to come together. The British demanded agricultural exceptions for the Commonwealth; British accession to the EEC could make an already difficult CAP deal impossible. Through 1962, de Gaulle allowed the accession talks to bog down in technical details (though not details the negotiators, including French

57. Lindberg, *Political*, 187.

58. The long negotiations moved the date under discussion from July 1960 to December.

59. Hans Peter Muth, *French Agriculture and the Political Integration of Western Europe* (Leiden, 1970), 130; Lindberg, *Political*, 184–205.

diplomats, thought impossible to overcome).[60] Then, in January 1963, he shocked the EEC (and most of his own diplomats) by unilaterally vetoing the British application in a dramatic press conference.

This was the final step in a consistent strategy of separating Britain from Europe. In 1958, de Gaulle conceived that strategy for political reasons, to isolate Britain from his plans for political cooperation. By 1963, the economic reasons probably outweighed the political; the bid for political cooperation was failing, and the CAP was forming (see below). Whatever the mix of economic and political considerations, however, this strategy reflected de Gaulle's EEC inheritance. This inheritance constrained and enabled him to frame his British policy in a Europe of the Six.

Pursuing Intergovernmental Cooperation through the EEC

The EEC also set the terms for de Gaulle's ambitions for continental Europe itself. Rather than setting up political cooperation (above all with Germany) from scratch, as he would have attempted in the EEC's absence, de Gaulle spent the first half of the 1960s trying to transform the EEC into such a project. When he failed—as was almost certain given other Europeans' reluctance to follow de Gaulle's break with the United States—he left not "scratch" behind, but the EEC.

Altering the EEC was already one of de Gaulle's priorities in summer 1958. An August 1958 note called for capping the EEC with "regular consultations . . . between the interested governments."[61] De Gaulle insisted on intergovernmental political cooperation in his first meetings with the leaders of the Six, especially Adenauer.[62] Detailed French proposals on the EEC were briefly delayed by de Gaulle's attempt at more grandiose plans, for a Franco-Anglo-American global directorate over NATO and Western cooperation in general. But this secret proposal to Washington and London in September 1958 was rebuffed.[63] In summer and fall 1959, de Gaulle went ahead with the EEC alternative, discussing it in his meetings with EEC leaders. Though the Benelux in particular feared (correctly) that de Gaulle sought to alter the EEC's institutional balance, any de Gaulle proposal to develop the EEC was still seen as a positive gesture. The Six accepted trimesterial foreign minister meetings on undefined political issues in November 1959.

After the acceleration deal of May 1960, de Gaulle pushed harder. He wanted to replace the EEC institutions with intergovernmental committees.[64]

60. Interview, a French participant in the talks, Paris, May 15, 1997.

61. "Note pour les Affaires étrangères," authored by Jean-Marc Boegner, in de Gaulle, *Lettres*, 73.

62. Poidevin, *De Gaulle*, 82.

63. Lacouture, *De Gaulle*, 2:639; see also Frederic Bozo, *Deux stratégies pour l'Europe: de Gaulle, les États-Unis et l'Alliance atlantique, 1958–1969* (Paris, 1996); Pierre Mélandri, "Le Général de Gaulle, la construction européenne et l'Alliance atlantique," in Barnavi and Friedländer, *Politique*, 87–111.

64. Soutou, "Général," 128.

Now confident of Adenauer's support, he wrote to the chancellor in July 1960, "To be effective, to draw on the sentiment and support of its peoples, to not lose itself in the clouds of theories, 'Europe' currently can only consist of a cooperation organized among states. . . . To adopt this conception is to admit that the 'supranational' organisms that had been constituted among the Six, which tend inevitably and abusively to become irresponsible superstates, will be reformed, subordinated to the governments, and employed for the normal tasks of technical advice."[65]

Adenauer supported this plan but balked at the accompanying insistence on major NATO reforms. He had favored supranationality in the ECSC, EDC, and EEC for its political gesture, not out of the doctrinal devotion of a Spaak or a Monnet. Political cooperation could serve the same purpose of legitimizing German foreign policy. With Adenauer's support, de Gaulle called a summit of the Six in February 1961. Adenauer seconded plans for regular chief of government (COG) meetings and permanent civil servant committees alongside (not instead of) the EEC. He insisted, however, that defense issues be left to NATO. The Italians, Luxembourgers, and Belgians agreed, provided the COG meetings also not discuss direct EEC business. The Dutch, however, argued that the British had to participate, since their EEC application was imminent. This the French rejected. The summit was saved by creating a committee to study the issues.

Talks in the committee, chaired by de Gaulle loyalist Christian Fouchet, made progress.[66] In July 1961, the formal British application persuaded the Dutch that the British would soon participate, and they stopped insisting on an immediate British presence. Soon the Six agreed on basic principles. COG discussions would be unlimited, but the French accepted declarations that the "union" would "reinforce the Atlantic Alliance," promote "greater effectiveness for the Communities," and even consider extending the purview of the European Parliament.[67] In fall 1961, the French proposed a European Political Commission of civil servant committees on foreign policy, defense, economic policy, and culture. Three years later, a revision process could "reinforce" the union.[68] The Dutch remained skeptical, but the others made enthusiastic counterproposals. They left economic issues to the current EEC structures, made the "political commission" an independent secretariat, extended the jurisdiction of the EEC's Court over it, and even included (from the Italians) majority voting and European Parliament elections.

In November 1961, Dutch skepticism disappeared when the British said they were comfortable with the French proposals but preferred not to partici-

65. De Gaulle, *Lettres*, 383.

66. According to one high Quai official, Fouchet was brought in to ensure that the few pro-community voices at the Foreign Ministry—notably Director of Europe Jean-Marie Soutou—did not complicate de Gaulle's plans. Interview, Paris, May 15, 1997.

67. Jouve, *Général*, 1:289.

68. Ibid., 1:318–23.

pate immediately in any case. Agreement seemed imminent in January 1962, when the French made further compromises. In language approved by Couve de Murville, the goal of the union was changed from "centralizing" the Communities to simply "rationalizing and coordinating" the Communities. Economic issues were to be left to the EEC. A further allusion to reinforcing the Atlantic Alliance was added. The other delegations praised the draft, and the negotiators thought a deal within reach.[69]

At this point, however, de Gaulle decided that his negotiators had conceded too much. He may have hoped that the positive atmosphere after the first major CAP agreement, reached on January 14, would carry a more demanding deal.[70] More likely is that he concluded that the EEC changes he wanted were impossible and decided to scrap the Fouchet Plan. In any case, this was the predictable result of his actions. In late January he personally rewrote the Fouchet text as if to highlight his intent of altering both the EEC and NATO: He crossed out the reference to the Atlantic Alliance, reinserted economics as a topic of COG discussion, eliminated governments' "obligation" to respect common decisions, and (in reference to the revision process after three years) erased the phrase "in respect of the structures set out in the Treaties of Paris and Rome creating the European Communities."[71] In response, the other members rallied around their more pro-EEC and pro-NATO language. The talks fell apart in April 1962.

Having failed to alter the EEC, de Gaulle turned to his backup plan. He had already agreed with Adenauer in May 1961 that if the Fouchet Plan failed, they would strike a bilateral deal on political cooperation.[72] Now the French drafted a text, and the "Franco-German treaty" was signed in January 1963. It was the archetype of a deal between sovereign states, dwelling on Franco-German amity but mentioning nothing concrete besides regular consultations. Substantive statements of purpose were avoided, particularly because the French and Germans stood on opposite sides of the simultaneous debate over a multilateral nuclear force (MLF) for NATO.[73] One French legal scholar wrote, "In legal terms, this instrument engenders almost no defined obligations on the part of its signatories."[74] Nor did it do much to bolster political cooperation. In the

69. Soutou, "Général," 136.

70. Ibid.

71. Achille Albonetti, *Préhistoire des États-Unis de l'Europe* (Paris, 1963), 260.

72. Soutou, "Général," 129.

73. This was an American idea to create a separate nuclear force under European management and NATO command. It combined all that de Gaulle hated: proposed by Anglo-Saxons, providing nuclear weapons to all European countries (including Germany), under "artificial" international authority. Most German leaders liked the idea. See Wilfrid Kohl, *French Nuclear Diplomacy* (Princeton, 1971); Alfred Grosser, *The Western Alliance: European-American Relations since 1945* (New York, 1980); Charles Cogan, *Oldest Allies, Guarded Friends: The United States and France since 1940* (Westport, Conn., 1994).

74. Jouve, *Général,* 1:359. Maurice Duverger wrote in *Le Monde* that "the content is close to zero." The *rapporteur* of the French Assembly noted it was simply "a treaty of good will." *Le Monde,* January 29, 1963. See also Jacques Bariéty, "De Gaulle, Adenauer, et la genèse du traité de l'Élysée

month of its signature, de Gaulle vetoed the British EEC application and Adenauer endorsed the MLF, without any consultations. Three months later, the scope for Franco-German deals narrowed further when Erhard replaced Adenauer. The new chancellor encouraged the Bundestag to attach a preamble to the treaty's ratification declaring Germany's support of NATO, ties to the United States, the EEC institutions, and the British application.[75]

De Gaulle failed to win European support for his agenda. In the end, his vision of a French-led Europe independent of the "Anglo-Saxons" was not a real possibility in the 1960s. The Dutch and most Germans refused to question U.S. leadership. De Gaulle would likely have failed even earlier in an EEC-less scenario, where he would have had little leverage to exclude the British. But given Adenauer's encouragement, he would have tried. Instead of spending the early 1960s consolidating the EEC while attempting to alter it, he would have bargained for arm's-length political consultations, bilateral agricultural contracts, and some liberalization. As it was, his hopes of turning the EEC to his own political goals partly kept the Community alive through his early years. When those goals failed, the EEC was the survivor.

Managing French Farmers through the EEC

Agricultural questions became a major focus of the de Gaulle government only around 1960. After initial inattention to farmers' problems prompted major rural unrest, de Gaulle and his ministers launched a new set of agricultural reforms. As they did, they realized that a CAP might allow them to sidestep the problem of expanding but still globally uncompetitive agricultural production. They began to put a high priority on the CAP in 1961. At the same time, de Gaulle's political hopes for EEC cooperation were fading. By late 1962, securing a profitable CAP became the main benefit he still perceived in the community framework. By this time, given Erhard's replacement of Adenauer in 1963, de Gaulle could have obtained a CAP only if a legal commitment to it had existed previously. Since it did, he was able to threaten destruction of the EEC if his preferred version of those commitments was not fulfilled. Thus the EEC itself created the opportunity and leverage for de Gaulle's CAP policy.

De Gaulle paid no real attention to agriculture in 1958. As part of the Rueff Plan, he revoked the indexation of agricultural prices on inflation and abolished many farm subsidies. Farmers bitterly demanded a return to indexation, and rural unrest mounted through 1959 into a series of massive FNSEA-organized demonstrations. Still the government remained focused on other issues; through early 1960 "no agricultural policy was defined."[76] When demonstra-

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du 22 janvier 1963," and Hans-Peter Schwarz, "Le président de Gaulle, le chancelier fédéral Adenauer et la genèse du traité de l'Élysée," in Institut Charles de Gaulle, *De Gaulle,* 5:352–64 and 364–73.

75. Jean Monnet first proposed this preamble to the Germans. Lacouture, *De Gaulle,* 3:307.

76. Yves Tavernier, "Le syndicalisme paysan et la politique agricole du gouvernement, juin 1958–avril 1962," *Revue française de science politique* 12:3 (1962), 599–646.

tions escalated in winter 1959–60, the government restored partial indexation, but not enough to please the farmers. They mobilized more than half the Assembly (287 members) to demand a special session on agricultural policy. De Gaulle flatly—and unconstitutionally—refused.

But the government was now aware that an agricultural policy was needed. It soon proposed a policy framework that, unlike all previous policies, emphasized structural reform over price supports. For the next few years, the farmers' organizations divided bitterly over this shift. Most members opposed it, especially the largest and most competitive producers of the Paris basin (who benefited the most from price supports). These "traditional forces" continued to demand indexation and higher prices. A newly vocal minority of young, small-scale farmers were pro-reform, however, as they hoped to benefit from state aid to increase their production.[77] The government eagerly cultivated them as allies, giving them privileged roles in the developing neocorporatist institutions of the Fifth Republic. Ironically, many reformers soon became very militant and attacked the government for reforming too slowly. Together, the opposing currents produced worsening demonstrations, blockades, and even violent episodes in 1961–62.[78]

In early 1961, de Gaulle and his ministers began to focus on the CAP as the answer to these problems. No French farmers were enthusiastic about liberalization. In late 1959 they had greeted the fairly liberal CAP outline from EEC Agriculture Commissioner Sicco Mansholt with polite skepticism.[79] If an illiberal CAP could be set up, however, it could both fund higher prices and buy up the surpluses swollen by structural reform. Domestic reform programs were proving even more costly than earlier price supports, tripling the farm budget from 1958 to 1962.[80] Nor was the situation likely to improve. Demonstrations reached new heights in summer 1961, and the government tried to appease farmers by calling for a 28 percent increase of production in the Four-Year Plan for 1962–65. Farm spending would only increase. By summer 1962, de Gaulle said to an advisor, "The future of agriculture is henceforth . . . our biggest problem."[81]

A European fix, however, was not clearly easier than domestic reform. As Couve de Murville wrote, "In no other domain were the partners' positions so divergent, their interests so contradictory."[82] The first talks in late 1960 produced a framework plan for a basic community preference in imports, supported by a system of levies on third-country imports that would support

77. See Keeler, *Politics.*

78. Suzanne Quiers-Valette, "Les causes économiques du mécontentement des agriculteurs français en 1961," and Henri Mendras and Yves Tavernier, "Les manifestations de juin 1961," *Revue française de science politique* 12:3 (1962), 555–98 and 647–71.

79. Neville-Rolfe, *Politics,* 205; Muth, *French,* 141; Lindberg, *Political,* 263.

80. John T. S. Keeler, "De Gaulle et la politique agricole commune de l'Europe," in Institut Charles de Gaulle, *De Gaulle,* 5:156.

81. Peyrefitte, *C'était,* 1:302. Conversation dated June 6, 1962.

82. Couve de Murville, *Politique,* 314.

intra-EEC prices. It was not agreed, however, what those prices would be or how quickly they would replace national prices and levies. In 1961, the French shifted to a higher gear. Thereafter, though still partly sharing German preferences for protectionist arrangements, they allied with the Commission and the Dutch to propel the process as quickly as possible toward a full CAP. Unlike these allies, they resorted to consistently threatening the EEC as a whole to obtain this progress. In July 1961—during the worst rural unrest yet—Prime Minister Debré warned that failing the passage of CAP rules and financing for a first group of products (grain, pork, poultry, eggs, fruit, wine, vegetables) by January 1962, France would veto the scheduled passage of the treaty to its second stage on that date.[83]

Symbolic of the new CAP priority was de Gaulle's replacement of conservative agriculture minister Henri Rochereau in August 1961 with a dynamic, pro-community Radical, Edgard Pisani. In close collaboration with Couve de Murville, Pisani led the fight for the first CAP regulations. The Germans tried to block every step. Adenauer was under tremendous pressure from farmers, a large majority of his own coalition, and even business interests to reject any CAP.[84] Only after stopping the clock to bargain for two extra weeks in January 1962 did Adenauer give in. The structure of CAP rules for the most important products was agreed. "European organizations" under the Commission, with oversight from intergovernmental committees, would manage each product's markets. A European Guidance and Guarantee Fund would manage import levies, price supports, and structural reforms. Its overall budget accord would be agreed by July 1965. The most difficult point—the level of common prices—remained to be negotiated. But the CAP machinery was set in motion, producing three hundred more detailed regulations in 1962–63 alone. French farmers complained that the new policy was far too liberal but went along with it.[85]

In the subsequent rounds of CAP bargaining, de Gaulle faced Erhard, not Adenauer. Political cooperation had also failed. Now he took a harder line. He told his Cabinet in early 1963 that if the CAP was not completed soon, "there will be no Common Market at all."[86] He made the threat public in July: if the CAP were not complete by December, the EEC would "disappear."[87] These threats worked, producing a second major deal in late 1963 that extended the CAP over 85 percent of European agriculture.[88] The same process was replayed, in an even more violent confrontation, over common prices in 1964.

83. Neville-Rolfe, *Politics*, 215.

84. German industry opposed the CAP because major industrial export contracts with extra-EEC countries (Argentina, etc.) were contingent on extra-EEC agricultural import deals. Neville-Rolfe, *Politics*, 266.

85. For a breakdown of reactions by sector, see Délorme and Tavernier, *Paysans*, 78–96.

86. He added, "I am not sure this would be a tremendous misfortune." Peyrefitte, *C'était*, 2:220.

87. Jouve, *Général*, 1:382.

88. The French also had to make supranational and liberal concessions, accepting the fusion of the ECSC, Euratom, and EEC executives, and allowing the Commission to take a fairly liberal position in the Kennedy Round GATT talks.

The Germans insisted on very high prices; the Dutch wanted them very low, and the French in between. In October, the French announced formally that they would "cease to participate" in the EEC if a price deal were not reached by the end of the year.[89] After another round of French threats issued on several levels, Erhard blinked and accepted prices close to French preferences in December 1964.

De Gaulle had extracted immense European support for French farm policies. France and its farmers did have clear interests in this CAP by 1962–63; except among the least competitive farmers, there was little dissent on the CAP's appeal by this point. But historically, these benefits did not cause this outcome. French farmers and Gaullist leaders only slowly recognized the appeal of a CAP, and only mobilized to pursue it as the historical opening for creating an EEC-like framework began to close. De Gaulle's leverage depended first on a German chancellor on the brink of retirement, and then on threats to the industrial "little Europe" he could not have obtained after 1958. The connection between French economic benefits and these European outcomes was made not by structural imperatives but by the EEC's institutional legacy.

Blocking Supranationality

By early 1965, the EEC nicely fulfilled French economic interests as they were now widely perceived. But if de Gaulle had squeezed economic profit from the EEC, he had failed politically. The other Europeans had rejected his vision of a French-led Europe independent from America and blocked his plans for a Europe of the States over the EEC. Thus he turned to the backup plan envisioned in 1960. If he could not have his Europe, he would "take on the first fruits of integration," blocking progress in supranationality.

A political blunder by the Commission gave de Gaulle an opening. The CAP deal of December 1964 convinced many that integration now had unstoppable momentum.[90] Commission president Walter Hallstein tried to capitalize on this atmosphere with ambitious proposals in March 1965. The immediate topic was the final CAP financing. Hallstein proposed that all agricultural levies, rather than being collected by states who then contributed to the EEC's budget, go straight to the Commission, which would also take direct responsibility for CAP spending. Hoping French desires to tie up CAP financing would carry a larger deal, Hallstein added grander ideas. Since the CAP would now be complete in 1967, the industrial market's deadline should be moved up to the same date. This would incur passage to the treaty's third stage, with many council votes shifting from unanimity to qualified majority. Thereafter, said Hallstein, not just CAP levies but customs duties from extra-EEC trade should go to the

89. *Le Monde,* October 22, 1964. See also John Newhouse, *Collision in Brussels: The Common Market Crisis of 30 June 1965* (New York, 1967), 38.

90. *Le Monde,* December 16, 1964.

Community. Given a larger EEC budget, the European Parliament should gain powers of budgetary amendment to ensure accountability. Adding insult to injury (in de Gaulle's eyes), Hallstein presented these plans not to the governments but in a surprise announcement to the Parliament.

The French response was quick—and premeditated.[91] An EEC foreign ministers' meeting in late March was canceled. A terse statement on March 31 indicated that only a CAP financing deal *alone* by June 30 would permit discussion of any other proposals. As the CAP talks proceeded in April and May, the French accepted early completion of the industrial market and the principle of the Community's "own resources" (direct levies), but refused to discuss the other subjects. Couve de Murville even proposed that instead of a permanent CAP financing deal, a new five-year transitional phase be negotiated—sidestepping the question of the transition to the third phase and institutional changes. The Germans happily supported this, but the Dutch pressed for a full CAP deal and the other institutional steps.

As in previous rounds, brinksmanship took the talks to the June 30 deadline. But then, despite the general impression that a deal was within reach, Couve de Murville suddenly announced that accord was impossible and withdrew. He acted on de Gaulle's personal instructions, with no clear technical justification. Agriculture Minister Pisani and the French delegation's chief tactician, Olivier Wormser, were shocked. They (and even Couve himself) had been bargaining in good faith, making significant concessions through the last day of talks.[92] While success remained distant, all the participants expected another stop-the-clock extension. Furthermore, upon the French withdrawal the Commission immediately offered to reconsider its own proposals, and the Belgians offered to negotiate a compromise, with no effect.

Not only were the other governments ready to put aside the larger institutional proposals, but internal French studies suggested they were not technically threatening to French interests. This was the explicit conclusion of a Quai report, requested by de Gaulle in January 1965, on the risks of permitting majority voting in the Council of Ministers.[93] But Couve de Murville now explained that the other states were unwilling to respect their commitments, so France would not negotiate. On July 6, the French EEC representatives were recalled from Brussels. The government announced that it would participate only in low-level meetings to implement older EEC policies, discussing no new decisions. The "crisis of the empty chair" had begun.

A Commission compromise plan in mid-July was ignored.[94] In September,

91. De Gaulle initiated discussions about how to block passage to the third stage earlier in the spring. Interviews.

92. To win Italian support for his five-year-transition compromise, Couve even suggested that France pay 75 percent of Italy's CAP contributions for the first two years. Neville-Rolfe, *Politics*, 237; Miriam Camps, *European Unification in the Sixties* (New York, 1966), 64.

93. The report concluded it was "most unlikely" that majority voting would lead to anything that was not in French interests. Newhouse, *Collision*, 67.

94. The Commission suggested, as had Couve de Murville before the breakdown, that the

de Gaulle finally offered an explanation. This crisis was not about CAP financing, he said: "What happened in Brussels on June 30, in connection with the agricultural financing regulation, highlighted not only the persistent reluctance of the majority of our partners to bring agriculture within the scope of the Common Market, but also certain mistakes or ambiguities in the treaties setting up the economic union of the Six. That is why the crisis was, sooner or later, inevitable."[95] Couve de Murville made this point still more explicitly to the French Assembly. He called for a "general revision" of the treaties, the retention of national vetoes, and the reduction of the Commission to a normal international secretariat, and linked the crisis to the Fouchet Plan: "Political Europe is still pending. Only time . . . will make it possible to determine whether it is a matter of mere delay. In the meantime, and doubtless to a large extent because the political aspect did not follow, economic Europe is now experiencing a crisis. I repeat, because the political aspect did not follow."[96]

The call for revision won little sympathy. Internationally, the other five EEC members tried to press France back to the table. They approved the Commission's July plan, signed a secret agreement to refuse separate deals with Paris, and selected the Belgians to approach the French.[97] They also threatened in various ways that a continued French boycott would force them to approach the British about an alternative framework.[98] Domestically, even the French bureaucracy—once the bastion of anti-EEC thinking—reacted against de Gaulle. In September the SGCI, at its own initiative, wrote a "technical" report comparing the pros and cons of EEC membership, and leaked the highly pro-EEC conclusions to the press in November.[99] French farmers also mobilized. In July, the farm lobbies criticized the government in a letter to Premier Georges Pompidou. In October they announced they would campaign against de Gaulle in the December 1965 presidential election. MRP president Jean Lecanuet stepped up to be the "European" candidate and proceeded to run on a platform that differed seriously from Gaullism only on that score. In November, de Gaulle found himself polling less than the 50 percent required to avoid a runoff. In the first-round election on December 5, de Gaulle received 46 percent, the left's François Mitterrand 32 percent, and Lecanuet 16 percent.

There was little doubt that at least some of Lecanuet's electorate would favor de Gaulle, and he duly beat Mitterrand (55 percent to 45 percent). But the runoff was a major embarrassment to a president who claimed to represent all

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transition run through 1970. Only vague references were made to further discussions on the European Parliament.

95. *Le Monde,* September 10, 1965.

96. *Le Monde,* October 21, 1965.

97. Newhouse, *Collision,* 141.

98. Camps, *European,* 122.

99. *Le Monde,* November 6, 1965. The SGCI's report is particularly striking given that it was headed at the time by François-Xavier Ortoli, who was concurrently director of Pompidou's Cabinet. This suggests that Pompidou himself was not entirely at ease with de Gaulle's strategy—which is consistent with his earlier and later positions.

of France.[100] Together with pressure from the Five, it pushed de Gaulle back to the table. On December 23 the French agreed to schedule a meeting of the Six in Luxembourg in mid-January 1966. There Couve de Murville was unable to secure more than an agreement to disagree. The Five absolutely refused treaty revisions but accepted an extra-treaty declaration reserving national vetoes when a government judged its "very important interests" to be at stake. French hopes for new limits on the Commission were cut back to a rebuke for its overzealous conduct and agreement that the council would maintain representatives alongside the Commission in foreign policy and press activity. A general schedule for clearing the Community agenda rounded out the deal.

This Luxembourg Compromise was as much change as de Gaulle could wring from the EEC in 1966. Though informal, it was far from insignificant, and would hamper EEC development well into the 1980s. But it was still only a limit on a European track de Gaulle disliked, not a positive step toward the different track he desired. His own decisions to make use of the EEC in the late 1950s and early 1960s had taken France and Europe further down the EEC track, consolidating French interests in the community model. The French interest groups who had been reluctantly dragged to the EEC in the mid-1950s now mobilized powerfully to defend it. Even the bureaucracy that had opposed the EEC now accepted it as the status quo. Internationally, the bargaining opportunities of the 1950s had been foreclosed as other states premised their strategies on the EEC framework. De Gaulle presided over the acceptance of the community model, not a traditional Europe, due to the power of institutionalized expectations.

CONCLUSIONS

Chapter 3 argued that the EEC did not result from broadly consensual French policies. It was pursued only by a scattered elite who shared "community" ideas about French interests. This means that the EEC's later acceptance by the de Gaulle government and French interest groups needs to be explained. Since ideas were crucial to the EEC's birth, we need to account for its endorsement by actors with other ideas.

Having overlooked the role of ideas in the EEC's genesis, the dominant accounts are condemned to misinterpret what followed. They see the same imperatives that ostensibly led to the EEC—whether they privilege economics or geopolitics—as "constant causes" keeping de Gaulle on the same track. Where de Gaulle challenged this track, notably in crusading to change the EEC institutions (even at risk of disrupting the final CAP deal in an election year!), they

100. One Gaullist analyst judged EEC issues to account for at least half Lecanuet's votes, or about 8 percent of the electorate. In between the two ballots, de Gaulle made small moves to attract them. On December 15 he said he "very much hoped . . . we will overcome the trial of the Common Market." On December 16, Pompidou remarked that a meeting of the Six would probably come soon after the second ballot. *Le Monde,* December 16 and 18, 1965, January 18, 1966.

concede that ideology affected his policies on the margins. Just as Robert Schuman or Guy Mollet may have sometimes been carried away in endorsing supranationality, de Gaulle got carried away in denouncing it. Otherwise, runs the common wisdom, they pursued the same basic policies for the same reasons.

This chapter has argued that if de Gaulle chose European strategies partly in line with his predecessors, he did so for different reasons. Again, Schuman and Mollet chose community strategies because they had the autonomy to follow their own ideas. De Gaulle, by contrast, held an explicit, traditional view of the appropriate relationships between France and Europe. Only because the EEC reconfigured international and domestic demands did he arrive at policies based on a community Europe. In order to pursue his own, still-distinct agenda for France and Europe, he felt pressed to preserve the institutional structure of rights and obligations he had inherited. He also perceived unforeseen advantages in the EEC framework, notably in its break with Britain and (a few years later) in agriculture. These constraints and incentives led him to preserve a deal he had opposed, and even to extend it, in pursuit of his own goals. By the time those goals failed, this institutionally structured strategy had become so embedded in international demands and vested domestic interests that even de Gaulle could do little to change it.

This does not mean that de Gaulle or French interest groups were locked into the EEC irrespective of their "real interests." They accepted the EEC because they eventually concluded that it was in their material interests. The EEC did bring some fairly obvious benefits to France. But historically, this was only *one* organization of Europe that fit with plausible French "interests," and it was not the one de Gaulle or interest groups had spontaneously wanted themselves. They ended up conceiving interests in this Europe only because of the legacy of earlier pro-community leadership. Their own preferences pointed to different arrangements in the late 1950s, after which they could not have obtained "little Europe" solutions in the 1960s even if they had wanted them.

The likely consequences of traditional or confederal strategies show us how much the community institutional legacy mattered in the 1960s. Under traditional leadership, France would have prioritized national reforms over European deals in the late 1950s. In liberalization, OEEC commitments would eventually have been met. Further liberalization would have been bargained against contracts in agriculture. Without hope for a long-term agriculture deal (especially after Adenauer's retirement), the French would have been forced to more extensive domestic reforms.[101] Politically, lacking a way to exclude the British, a Gaullist government would have had little hope of European support for greater independence from America (except perhaps a brief flirtation with

101. Note that as it was, the de Gaulle government was forced to push through extensive domestic agricultural reforms (whence the massive protests in the early 1960s). The CAP only partly allowed him to sidestep this massive political headache. Without the CAP opportunity, de Gaulle would probably have treated French farmers even more as he did French business, forcing them to accept a more liberal, less costly set of government policies.

Adenauer). Europe would have reached the mid-1960s with a gradual, continent-wide liberalization scheme, a patchwork of agricultural deals, and a bitter France unable to prevent the Germans, Dutch, and British from following the U.S. lead. Institutionally, Europe would have continued to look like the rest of the world.

Confederal French leadership (say, a luckier Mendès France) would have reached similar short-term results, but with happier medium-term prospects. Slow OEEC talks would have brought gradual liberalization. Bilateral agricultural contracts would have persisted, perhaps leading to very slow agricultural liberalization once the French became unable to sustain domestic farm spending in the mid-1960s. Politically, while Franco-German relations would have strengthened with increasing trade, the French would have been careful never to step far from the British. This would also have allowed more extensive Anglo-German ties to develop. Overall, continuous, pragmatic intergovernmental negotiations would have made Europe begin to look like a weak prototype of the North American Free Trade Agreement (NAFTA), built on a Franco-Anglo-German triangle.

Instead, by the late 1960s even the strongest French critics of community policies had accepted the EEC as the foundation of French interests in Europe. The Gaullists now claimed, with remarkable historical revisionism, to have invented the Franco-German partnership. Even the Communists revised their stance to present the EEC as important to French interests.[102] Interest groups were even more attached to the Community, as displayed in the farmers' mobilization against de Gaulle in 1965. Business too increasingly defended the EEC.[103] Most bureaucrats had heavily revised their views on the community format as well.

This did not mean that debate over France's European policies was over. Further steps within the EEC institutions met with little more agreement than in the 1950s. Extensions of supranationality were still hotly contested. British participation also remained a bitter issue, as was clear in the widespread shock and displeasure expressed on right and left at de Gaulle's vetoes of the British EEC application in 1963 (and again in 1967).[104] But instead of pitting basic community, confederal, and traditional alternatives against one another, French debates now addressed how (and how far) the community model should be developed. The resolution of the battle of ideas in the "institutional construction of interests" had begun.

102. By the late 1960s, "the Communist Party, which had originally opposed the whole European idea, had, like everybody else in France, accepted the EEC as it was, as the bulwark of French interests; the Communists' political program demanded only the 'democratization' of the Community, without any clear indication of how or when this could be achieved." Dorothy Pickles, *Problems of Contemporary French Politics* (London, 1982), 70.

103. Bela Balassa, "The French Economy, 1958–1978," in *The Fifth Republic at Twenty*, ed. William Andrews and Stanley Hoffmann (Albany, N.Y., 1981), 204–26.

104. *Le Monde*, January 15–16, 1963.

PART II
From Community to Union

FIVE

Making the Community Monetary

The EMS was a huge political error that cost Giscard his reelection in 1981.

MICHEL PINTON, domestic political advisor
to President Valéry Giscard d'Estaing

The EEC's consolidation was followed by a long period without major new steps in integration, though France's EEC policies underwent some changes. In 1969 the French agreed to extend the EEC to Britain, Ireland, and Denmark. In 1974 they initiated regular meetings of chiefs of government (COGs) in a European Council and dropped their blockage of elections to the European Parliament. Several attempts were also made to coordinate intra-EEC monetary policies from 1969 to 1976. But it was not until 1979, with the birth of the European Monetary System (EMS), that European institutions took on enduring new tasks and rules. Though loosely linked to the EEC and intergovernmental in form, the EMS was cast as a step to Economic and Monetary Union (EMU) in the EEC.

This chapter sets the EMS against the background of the 1970s and poses the same questions asked earlier about the ECSC, EDC, and EEC. What options did French elites perceive in European monetary affairs? To what variation in outcomes did these options lead? What selected the French strategy leading to the EMS? (Ratification need not be addressed, since the EMS was crafted informally to avoid it.)

Again, existing accounts focus on objective-interest answers to the last question. Most assign the main impetus to economics: French economic policies in the 1970s were gradually driven by international pressures to converge with German ones. The EMS pledge to stabilize exchange rates both reflected and helped complete this convergence, giving France the credibility to reach monetary stability.[1] A second group, while recognizing an economic backdrop, sees geopolitics as driving French choices. The French began pushing for monetary

1. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998); Michael Loriaux, *France after Hegemony: International Change and Financial Reform* (Ithaca, 1991); Thomas Oatley, *Monetary Politics: Exchange Rate Cooperation in the European Union* (Ann Arbor, 1997); Kenneth Dyson, *Elusive Union: The Process of Economic and Monetary Union in Europe* (New York, 1994). Kathleen R. McNamara makes a parallel but different argument: the EMS was driven by policy convergence, but this convergence reflected a broad shift from Keynesian to monetarist economic ideas, not clear objective pressures. *The Currency of Ideas: Monetary Politics in the European Union* (Ithaca, 1998).

coordination to balance the new West German *Ostpolitik* with further cooperation in the West. Weak American leadership and monetary disorder also encouraged Europeans to construct their own zone of stability and to attempt to balance the dollar's influence in the global economy.[2] The EMS was the eventual result. A third account emphasizes domestic-political pressures.[3]

These arguments capture the basic drives to French strategies but not what selected between alternatives. Advocacy of community, confederal, or traditional views still structured how French elites connected these pressures to European projects. Divisions still cut across parties and ministries. Economic, geopolitical, and domestic-political changes over the 1970s also rarely affected individuals' preferred strategies: those skeptical of monetary projects in the early 1970s were equally (or more) skeptical in the late 1970s, and those who championed the EMS had advocated similar plans since the 1960s. It was a change in leadership, not objective pressures, that changed French strategies. The EMS emerged only when unrelated domestic realignments installed the community-minded Valéry Giscard d'Estaing as president and gave him the autonomy to pursue his own preferred course. His coalition, party, and advisors disagreed over European monetary steps. Like the ECSC, EDC, and EEC, the EMS resulted from the aggressive assertion of a pro-community strategy amid fragmented domestic demands.[4]

The chapter also echoes chapter 4's question about the EEC's legacy: after the birth of the EMS, what were its consequences for French strategizing? Here I depart less from the common wisdom. Though many accounts see the EMS as epiphenomenal—simply revelatory of structural imperatives—others suggest that its rules changed the context for French policies.[5] I make this claim very explicit: the EMS itself set new constraints on French decisions. In 1981 Giscard was succeeded by François Mitterrand, whose Socialist government ini-

2. Georges-Henri Soutou, *L'alliance incertaine: les rapports politico-stratégiques franco-allemandes, 1954–1996* (Paris, 1996); Haig Simonian, *The Privileged Partnership: Franco-German Relations in the European Community, 1969–1984* (Oxford, 1985).

3. Jonathan Story, "The Launching of the EMS: An Analysis of Change in Foreign Economic Policy," *Political Studies* 36 (1988), 397–412.

4. Many accounts mention the European ideology of Giscard and his German counterpart, Chancellor Helmut Schmidt, but none assesses its impact. Michele Fratianni and Jürgen von Hagen, *The European Monetary System and European Monetary Union* (Boulder, Colo., 1992), 221; Peter Ludlow, *The Making of the European Monetary System* (London, 1982).

5. Even Moravcsik titles his section on the French EMS decision "locking in austerity" (*Choice*, 264), though he assigns no causal role to the EMS institutions. Similar are Loriaux, *France;* Vivien Schmidt, *From State to Market? The Transformation of French Business and Government* (New York, 1996). Institutional effects are emphasized in Peter Hall, "Socialism in One Country: Mitterrand and the Struggle to Define a New Economic Policy for France," in *Socialism, the State and Public Policy in France,* ed. Philip Cerny and Martin Schain (London, 1985), 108–28; David Cameron, "Exchange Rate Politics in France, 1981–1983: The Regime-Defining Choices of the Mitterrand Presidency," in *The Mitterrand Era: Policy Alternatives and Political Mobilization in France,* ed. Anthony Daley (London, 1996), 56–82; Jeffrey Sachs and Charles Wyplosz, "The Economic Consequences of President Mitterrand," *Economic Policy* 2 (1986), 261–322; John Goodman, "Monetary Policies in France, Italy, and Germany, 1973–1985," in *The Political Economy of European Integration,* ed. Paolo Guerrieri and Pier Carlo Padoan (New York, 1989), 171–201.

tiated a Keynesian fiscal expansion. Yet Mitterrand also tried to maintain France's EMS commitments. Straddling the two goals became increasingly difficult, and in 1983 Mitterrand made a now-famous reversal to neoliberal policies. While his agenda was doomed to some failure in any case, I argue that it was the EMS that pushed him to an explicit and early turnaround. As David Cameron argues, the EMS was the site of "the regime-defining choices of the Mitterrand presidency."[6] The EEC had constructed a consensus on France's basic foreign economic policies in Europe; the EMS extended that consensus into domestic economic policies.

How did the EMS and its legacy matter for European outcomes? The main alternative to the EMS was the status quo. The acceptance of the EEC in the 1960s left traditional and confederal French strategies as largely negative thereafter; their advocates disliked community projects for developing the EEC but had few other positive plans. Even without developed alternatives, however, the likely divergence between our Europe and an EMS-less one was extreme. Without a French push to the EMS, there would have been no serious European monetary cooperation through the mid-1980s at least. The Socialist experiment would have extended many years later. In the late 1980s, instead of completing a Single Market and negotiating a single currency, Europeans would likely have been salvaging a damaged EEC.

THE BASIC STORY AND EXISTING ACCOUNTS

French policies on Europe focused continuously on monetary issues from 1969 to 1979, in response to the breakdown of the Bretton Woods monetary regime.[7] Beyond this constant focus, French policies underwent two shifts during the decade. The first came with de Gaulle's replacement by Pompidou in 1969. One of Pompidou's first acts was to call a conference of EEC leaders, where he outlined a new European agenda. He made clear that once the last CAP deal was complete, France would accept a British EEC accession. He also announced his support for "deepening" the Community, particularly in monetary affairs and political cooperation.

The final CAP financing deal and British accession moved quickly, with the latter's terms decided by May 1971. "Deepening" proved more difficult. Political cooperation stalled over French hostility to any format tied to the EEC's supranational structure. Monetary discussions too hit a basic impasse. Though all members saluted the ultimate goal of an Economic and Monetary Union,

6. Cameron, "Exchange."

7. The Bretton Woods regime was the system of fixed exchange rates devised after World War II. Since the United States held most of the world's gold reserves, the system set a "gold-dollar" standard with the dollar as the only currency convertible into gold and other currencies fluctuating ±1 percent around a dollar parity. The system weakened in the 1960s because the supply of dollars outside the United States exceeded its gold reserves, leading to a run on the dollar. See Joanne Gowa, *Closing the Gold Window: Domestic Politics and the End of Bretton Woods* (Ithaca, 1983); Eric Helleiner, *States and the Reemergence of Global Finance* (Ithaca, 1994).

the French and Germans disagreed on how to proceed to it. The Germans were willing to tie their strong D-mark to weaker currencies only after the latter grew stronger. The French wanted cooperation in order to strengthen their currency, and so wanted a German commitment to cooperation (and bankrolling weaker currencies) *before* convergence. A partial compromise seemed near with the Werner Plan in mid-1970, but then the talks failed.

The impasse remained when the Bretton Woods system of fixed exchange rates dissolved in 1972. All EEC leaders feared that floating rates meant chaos for intra-EEC trade. But the Germans wanted only a self-help European system, wherein each state upheld its currency without major support. The French reluctantly accepted this system (dubbed the Snake, since its currencies wriggled together in the global float) in early 1973. Then the first oil shock led to greater divergence between French and German policies. Germany launched a harsh anti-inflation plan, while French inflation soared above 15 percent. In February 1974, speculation forced the franc out of the Snake.[8] Two months later Pompidou died after a secret illness. In European terms, he had presided over British accession and new discussions, but little else.

The second French shift came when Pompidou's finance minister, Giscard (Indep.),[9] was elected president in May 1974. He moved immediately to end the French blockage of elections to the European Parliament and pushed a proposal for regular COG meetings. He also initiated an economic "cooldown" plan.[10] French inflation fell somewhat, and in May 1975 Giscard announced the franc's return to the Snake. But the cooldown also choked off investment, bringing on recession. In July 1975, Giscard's premier, Jacques Chirac (Gaullist), shifted to a major fiscal expansion. This restarted growth but also ballooned the public deficit, undermined the trade balance, and reignited inflation. The franc came under renewed attack and left the Snake again in March 1976. Economic policies turned around again in fall 1976, when Chirac was replaced by economist Raymond Barre (centrist).[11] Barre announced his intention to bring France into the fold of economic orthodoxy. After a price freeze halted inflation, Barre explained, control of the monetary supply and gradual liberalization of prices and credit would create a competitive, low-inflation France with a strong franc.

Barre's program was presented explicitly as a convergence with German policies, and Giscard soon called for renewing EEC monetary discussions. In early 1978, German chancellor Helmut Schmidt (SPD) indicated that he

8. Other weak currencies were forced out as well, notably the lira and the pound.

9. Giscard's Républicains Indépendants (later the Parti Républicain) were the descendants of the Fourth Republic's Independents.

10. The EEC Treaty dictated direct elections, but de Gaulle and Pompidou had insisted that members be selected from national parliaments. Giscard also announced that he wanted to renounce the systematic use of unanimity rules since the Luxembourg Compromise, and to move toward integrating the foreign policy cooperation initiated (weakly) under Pompidou into the EEC institutions.

11. The MRP and Radicals dissolved into small centrist groups during the 1960s. See below.

would consider a more supportive monetary accord than the truncated Snake. Secret talks began in April 1978 and sketched a new deal by summer. Plans for a major European Monetary Fund to support weak currencies, and for basing exchange rate targets on a weighted "basket" of currencies, promised to share the costs of adjustment between both weak- and strong-currency members (see below). When formal negotiations began in fall 1978, however, the German Bundesbank again insisted that weak currencies strengthen themselves. The Fund was deferred and diminished, and bilateral rates replaced the basket. For weaker currencies, the resultant plan was almost as strict as the Snake. Still, Giscard approved the deal. The European Monetary System, committing members to exchange rate fluctuations within ±2.25 percent, was born in March 1979.

Objective Explanations

Most accounts of the EMS see broad economic changes as driving France to monetary integration and to a more flexible position on the EEC in general.[12] Under de Gaulle, the French state provided cheap but controlled credit to propel growth. A fairly tight lid on wages and spending kept inflation under control, and periodic devaluations compensated exporters for what inflation there was. By the 1970s, however, rising international trade, increasing capital mobility, and the decline of the Bretton Woods system undercut this stance. Greater dependence on imports (especially oil) meant devaluations boosted inflation before helping the trade balance.[13] Growing capital mobility meant it increasingly moved abroad when inflation and devaluation threatened, putting upward pressure on once-insulated domestic interest rates.[14] The Bretton Woods system weakened because the vast "overhang" of internationally held dollars beyond U.S. gold reserves (the guarantor of the system) led to flight into the strongest other currencies, notably the mark. Weak currencies like the franc appreciated more slowly versus the dollar. By 1969, the mark was seriously undervalued vis-à-vis the franc, threatening dangerous fluctuations in intra-EEC trade unless exchange rates were stabilized.[15]

These changes, runs the argument, pushed the French toward economic strategies more like Germany's and toward monetary cooperation. France had to submit to the new constraints to maintain growth, combining an anti-infla-

12. Moravcsik, *Choice*; Oatley, *Monetary*; John B. Goodman, *Monetary Sovereignty: The Politics of Central Banking in Western Europe* (Ithaca, 1992); Loriaux, *France*; David Andrews, "Capital Mobility and Monetary Adjustment in Western Europe, 1973–1991," *Policy Sciences* 27 (1994), 425–45; Stephen Overturf, *Money and European Union* (New York, 1997).

13. Peter Hall, *Governing the Economy: The Politics of State Intervention in Britain and France* (Cambridge, 1986), 196.

14. John Goodman and Louis Pauly, "The Obsolescence of Capital Controls? Economic Management in an Age of Global Markets," *World Politics* 46 (1993), 50–82.

15. De Gaulle refused to devalue for reasons of prestige and pride, saying that the fault lay with the Americans for allowing the dollar overhang to develop (and with the Germans for making their currency too strong). Pompidou devalued by 11 percent immediately upon entering office.

tion, strong-currency stance that made imports cheaper with financial liberalization to hold and attract capital at affordable rates. They pursued European monetary coordination to buttress this program on German credibility and to stabilize intra-European trade. Both shifts—to different domestic policies and to the EMS solution—were delayed until the late 1970s because it took time to learn these lessons.[16] Not until after Pompidou's failure to adjust to the first oil crisis in 1973, and Giscard's own flip-flops in 1974–76, did economic imperatives get past the domestic lag and propel the next step in European institution building. By 1978, French and German policies had converged sufficiently for the EMS to succeed where the Snake had failed—but remained different enough to encourage institutional mechanisms to "lock in" the path to greater convergence.[17]

Another set of arguments privileges geopolitical pressures. They accept that most French thinking on Europe in the 1970s concerned monetary issues but see French strategies as selected by "high politics" factors. In this view, France focused on two major goals: balancing against a rising Germany, and using European cooperation to balance against the United States globally. The French were alarmed by Germany's growing economic power, and the development of its *Ostpolitik* with the Communist bloc gave it more political weight as well. This led to a two-pronged French strategy. On the one hand, Pompidou accepted the British accession to balance German influence in the EEC.[18] On the other, he pursued monetary integration to tie Germany more tightly to the West.[19] The latter would also rally Europeans against the Americans' self-serving manipulation of the international monetary system.[20] The same motivations were reinforced later in the 1970s, as German economic power continued to rise and American disarray under President Carter opened a door for European assertiveness. When Chancellor Schmidt suggested a monetary initiative, Giscard leapt at the opportunity.

A few accounts, lastly, trace French choices to domestic politics. They too see the economic context as important but attribute French choices mainly to

16. And because, in Germany, it was not until the dollar's continued fall in 1977–78 pushed the mark very high that German industrialists began to see monetary cooperation as useful to temper the mark's rise and help their exports.

17. Thomas Oatley (*Monetary*) makes the difficult-to-square argument that leaders' preferences for international monetary arrangements derive from domestic demands, but that leaders construct international monetary mechanisms to lock in policies that they cannot impose in the domestic arena.

18. Simonian, *Privileged*, 80; André Fontaine, *Un seul lit pour deux rêves* (Paris, 1981), 155; Thierno Diallo, *La politique étrangère de Georges Pompidou* (Paris, 1992), 54–68; François Seydoux, *Dans l'intimité franco-allemande* (Paris, 1977), 181; Michel Jobert, *L'autre regard* (Paris, 1976), 347; Michel Jobert, "De l'Allemagne," *Politique étrangère* 1 (1979), 14; Henry Kissinger, *White House Years* (Boston, 1979), 422.

19. Simonian, *Privileged*, 179–89; Soutou, *L'alliance*, 312; Maurice Vaïsse, "Changement et continuité dans la politique européenne de la France," in *Georges Pompidou et l'Europe*, ed. Association Georges Pompidou (Paris, 1995), 29–43.

20. Diallo, *Politique*, 74; Bernard Connolly, *The Rotten Heart of Europe: The Dirty War for Europe's Money* (Boston, 1995), 7.

coalition building. Pompidou, lacking de Gaulle's personal mystique and campaigning after the domestic crisis of 1968, needed broader support. The pro-EEC Independents and centrists ostensibly conditioned their participation on a more pro-EEC stance.[21] After an initial burst of pro-EEC activity, Pompidou was disappointed by low turnout for his 1972 referendum on British accession and returned to Gaullist themes for legislative elections in 1973. Giscard was then elected by a similar electorate but hoped to form a new majority that replaced the most hard-line Gaullists with moderate, pro-EEC Socialists.[22] From 1974 to 1977, this plan was blocked by François Mitterrand's Socialist–Communist "Union of the Left." But then the Union broke down in 1977, and the left suffered a surprising defeat in the 1978 legislative elections. Giscard's new Independent-centrist group, the Union pour la Démocratie Française (UDF), came close to matching the Gaullist vote. The president could now bid for a "pro-EEC center." The EMS talks began a month later. Thus a contest with economic, geopolitical, and ideational views of the EMS "leaves the domestic politics perspective as the overall winner."[23]

Problems with the Literature

Economic accounts provide the crucial context for the EMS initiative but cannot explain French choices over a wide range of strategies. In broad terms, European monetary talks in the 1970s were driven by attempts to restore exchange rate stability amid the Bretton Woods breakdown. France, with its perennially weak currency, hoped for some adjustment by strong currencies (Germany) and for funds and coordination to help weak currencies adjust. But the economic view's more specific claim—that the French agreed to monetary steps in the late 1970s due to a Franco-German convergence—is wrong.

This case rests on the policies of Premier Barre after 1976. His deflationary stance supposedly gave France the desire and ability to shadow German monetary policies, making a European deal feasible. But in fact, the French shift in 1976 was more rhetorical than real.[24] It brought no convergence on the key measure for monetary coordination: inflation. The Franco-German differential in inflation rates *grew* through the 1970s, averaging 1.8 percent from 1968 to 1972, 4.3 percent from 1973 to 1975, and 6.4 percent from 1976 to 1980 (peaking in 1980 at 8.4 percent).[25] Thus the franc continued to weaken

21. Fontaine, *Seul*, 159; Diallo, *Politique*, 54–69.

22. This was seen as a move to replace the far right with the center-left. Seeing the Gaullists as to the right of Giscard's Independents, however, is peculiarly French; the latter were usually stronger champions of free markets.

23. Story, "Launching," 408.

24. James Galbraith, "Monetary Policy in France," *Journal of Post-Keynesian Economics* 4:3 (1982), 388–403; W. Allen Spivey, *Economic Policies in France, 1976–1981* (Ann Arbor, 1982).

25. The differential continued growing even when French inflation fell a few points, since German inflation fell further. It averaged 6.2 percent from 1981 to 1984. Gilles Oudiz and Henri Sterdyniak, "Inflation, Employment, and External Constraints: An Overview of the French Economy during the Seventies," in *The French Economy: Theory and Policy*, ed. Jacques Mélitz and Charles Wyplosz (Boulder, Colo., 1986), 9–42.

versus the mark, losing 15 percent of its relative value from 1976 (when it definitively exited the Snake) to 1979 (when it joined the EMS).[26] By 1979 the franc had fallen so far that it was widely seen as slightly undervalued; combined with a slightly weaker mark, this created a brief period of stability in the EMS.[27] By late 1980, however, with French inflation again touching 15 percent after the second oil crisis, major pressure was accumulating for another devaluation. If Barre successfully increased exports and briefly improved the balance of payments, he brought no new basis for Franco-German monetary integration.[28]

Building on this oversight, economic accounts misrepresent what actors wanted historically. Given no real monetary convergence, most French actors did not see new monetary integration as desirable or feasible in the late 1970s. Neither employers nor unions changed their plans because of Barre's rhetorical stance.[29] Interest groups did not demand a monetary initiative in 1978, and most economic experts counseled against it. Similarly, the EMS did not result because the French changed the kind of monetary deal they wanted with Germany, seeking to be locked in to a strict regime. We will see below that Giscard pushed for the same kind of permissive, supportive accord Pompidou had wanted. The stricter EMS resulted because Giscard was more willing to compromise to reach a European deal, not because he pursued a new kind of deal. Overall, if economic views are right that broad economic problems encouraged change in French policies, they cannot connect these problems to specific European institution building.[30]

Geopolitical accounts of the EMS make less precise claims and so suffer from less glaring problems. Considerable evidence shows that both Pompidou and Giscard worried about keeping up with Germany and developing Europe's independence from the United States, and that they saw monetary plans as central to both goals.[31] But these accounts' weakness is that geopolitical developments did not lead French elites to change their positions over time. The centrists and Independents who supported British accession in 1969 and mon-

26. Diana Green and Philip Cerny, "Economic Policy and the Governing Coalition," in *French Politics and Public Policy,* ed. Cerny and Martin Schain (London, 1980), 159–76.

27. Oudiz and Sterdyniak, "Inflation," 34.

28. The balance of payments improved from a 22 billion franc deficit in 1976 to a 6 billion franc surplus in 1977, but then fell into deficit after the second oil crisis in summer 1979. A government export drive, facilitated by the effective intra-European devaluation of the franc, increased exports by 25 percent in this period. At the same time, the franc strengthened 17 percent versus the plummeting dollar, cutting imports by decreasing the French "oil bill" (since oil was priced in dollars). Green and Cerny, "Economic,"162.

29. Christian de Boissieu and Hélène Duprat, "French Monetary Policy in the Light of European Monetary and Financial Integration," in *Monetary Implications of the 1992 Process,* ed. Heidemarie Sherman et al. (London, 1990), 51–98.

30. Kathleen McNamara's argument (*Currency*) that the supposed economic convergence in the 1970s and 1980s reflected a convergence around ideas, not clearly objective pressures, suffers from the same failings as rationalist-style accounts as an explanation of the EMS. Whether the shift to monetarism was objective or subjective, it alone does not account well for patterns of French support on European monetary coordination in the 1970s (or thereafter).

31. Soutou, *L'alliance;* Simonian, *Privileged;* Fontaine, *Seul;* Diallo, *Politique.*

etary projects in the 1970s had supported both throughout the 1960s. Pompidou himself had quietly supported enlargement since the mid-1960s. The Gaullists closest to de Gaulle continued to oppose enlargement after 1969, attacking Pompidou bitterly.[32] In monetary affairs, "pragmatic" Gaullists like Pompidou and the less pro-EEC members of Giscard's group saw little need or opening to align on the Germans, whether in 1972 or in 1979. Rather than driving French positions on Europe, geopolitical developments just confirmed established views.

Domestic-political accounts also offer a relevant but weakly explanatory context for French choices. Pompidou's and Giscard's European policies were often constrained by their domestic political support. But such accounts fail on several counts. First, they simply take actors' positions as given and argue that their relative representation in government decided policies, without explaining what informed these positions. A closer look shows that they had little relation to electoral or interest group demands. Second, relatedly, crosscutting positions frustrate this view. Gaullists and Socialists were deeply divided. Giscardians disagreed over community-style initiatives. Incentives in domestic politics could hardly motivate these self-destructive conflicts. Third, these accounts confuse leaders' autonomy with active support for certain policies. Giscard's success in the March 1978 elections was clearly a precondition for his EMS push, but no major group demanded such an initiative thereafter.

MAKING THE COMMUNITY MONETARY

This section considers the patterns of French mobilization on European issues in the 1970s, first broadly and then in monetary affairs. As the literature suggests, French elites were concerned with economic pressures, geopolitical issues, and domestic politics. But crosscutting fights and interpretive evidence show that in choosing their European strategies, they still held different ideas about French interests. Elections and coalition building still operated on unrelated issues, sometimes giving leaders the autonomy to pursue strategies without majority support.

As of 1969, French traditionalists focused on defending de Gaulle's legacy. This meant completing the CAP with as little supranationality as possible, keeping the British out of the EEC, blocking new institutional steps, and leading political cooperation against American hegemony. In monetary affairs, they called for European solidarity against the dominance of the dollar but balked at compromising on French monetary policies or making formal institutional plans. Despite the failure of de Gaulle's strategy in the 1960s, they continued to hope that Europe would rally to French leadership.

Confederalists, like traditionalists, put a high priority on completing the

32. This consistency is also a problem for the economic argument, made by Moravcsik, that French policies on the British enlargement shifted because their objective economic interests in the CAP had been consolidated. There is little evidence of such a shift across French elites in 1969–70.

CAP. But they focused on ties with Britain, for two reasons: to balance Germany, and because the British would help replace supranational schemes with broad intergovernmental cooperation, hopefully transforming the EEC back into something like the OEEC (with a CAP). In the EEC, this meant pursuing British accession and various gradual, technical cooperative projects. In monetary affairs, they largely shared traditional views. Once enlargement was settled in 1972, confederalists and traditionalists only rarely diverged.

Pro-community elites also emphasized completing the CAP. They warily endorsed a British accession, since Britain now accepted the condition—supranational institutions—they had set all along on its participation. Most importantly (to them), they believed that "deepening" the EEC was the best way to strengthen France and Europe. Formal institution building was needed to enhance the effectiveness of cooperation, cement the Franco-German partnership, and control the still-rising Germans. In monetary affairs, they hoped new institutions would secure German support for France's economy, while muting German dominance and bolstering Europe's challenge to the United States in a longer-term Economic and Monetary Union.

The Broad Pattern

The broad pattern of French mobilization on European issues in the 1970s followed the lines that gelled in the 1950s. Parties had difficulty elaborating coherent positions, voters were uninformed and uninterested, and so European issues were usually downplayed in major elections. Leaders had broad freedom to choose their European strategies, and used it.

Pompidou's changes in European policies reflected his own views, not clear public or coalitional demands. He had privately expressed differences with de Gaulle's European positions since the mid-1960s.[33] Though an opponent of supranationality, he was more willing to prioritize economic cooperation over political axioms.[34] He had little enthusiasm for de Gaulle's quasi-mystical view of the Franco-German bond, instead feeling more apprehension and fear of France's rising partner.[35] The result was a preference for a pragmatic confederal strategy.[36] A British EEC accession was not only acceptable but desirable,

33. François Seydoux, ambassador to Germany for both de Gaulle and Pompidou, writes of his impression of Pompidou in 1969: "On this essential point [of British accession] . . . [Pompidou] distinguished himself from his predecessor. For him the hour of England sounded. It would have sounded long before if he had been able to impose his preference and his determination earlier." Pompidou's advisor on Europe, Jean-René Bernard, wrote that Pompidou's decision on Britain "had been conceived as soon as he arrived in office, and perhaps a long time before." Seydoux, *Dans,* 158; Bernard comments in Association Georges Pompidou, *Pompidou,* 237.

34. He had helped persuade de Gaulle of the EEC's economic appeal in 1958. In 1968, when speculative pressure on the franc created an EEC crisis, Pompidou favored devaluation when de Gaulle refused it. Jean-René Bernard, "Pragmatisme et ambition dans l'action européenne du Président Pompidou," in Association Georges Pompidou, *Pompidou,* 45–54; Eric Roussel, *Georges Pompidou* (Paris, 1984), 344.

35. On the difference between their views of Germany and its consequences, see Seydoux, *Dans,* 161; Simonian, *Privileged,* 79–81, 188.

36. In a nice echo of my argument, the author of the sole book-length treatment of Pompidou's foreign policy writes, "The European beliefs of Georges Pompidou clearly stood between the

both to balance Germany and to bring in another proponent of careful, intergovernmental cooperation.[37] Broad, technical European cooperation in industry was one of his personal priorities.[38]

The Gaullists' expansion in the 1960s had made them a more heterogeneous group.[39] As a result, Pompidou's election provoked conflict between the most orthodox Gaullists and more pragmatic members.[40] These splits worsened when he announced his position on Britain. Couve de Murville, Christian Fouchet, Pierre Messmer, and other traditionalists argued that de Gaulle had vetoed the British only two years previously and that nothing justified a new position.[41] Several prominent figures left the Gaullist party (now the Union pour la Défense de la République, UDR) in 1969–71 over this issue.[42] In 1970, two dozen Gaullists even abstained from ratifying the final CAP deal because it established independent EEC budgetary resources (the same issue that opened the "empty chair" crisis).[43] In 1970, as in 1965, traditional Gaullists refused to compromise on supranational mechanisms even to consolidate the CAP.

Pompidou's EEC changes did not reflect electoral or coalitional imperatives. The public cared little.[44] Many Independents favored the change but had long participated in de Gaulle's majority anyway. Giscard's leadership of this

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'Possible-Europe, useful to French agriculture' which summarized General de Gaulle's main view, and the 'Essential-priority-Europe' of M. Giscard d'Estaing. The Europe of Georges Pompidou was the 'Necessary Europe.'" Diallo, *Politique,* 70.

37. See quotes of Pompidou and views of his advisors in Association Georges Pompidou, *Pompidou,* 237, 541; Fontaine, *Seul,* 159; and Bernard Pons et al., *Georges Pompidou: vingt ans après* (Paris, 1994), 107.

38. Roussel, *Pompidou,* 438–40; Bernard Esambert, "La politique industrielle de Georges Pompidou," *Revue des deux mondes* 25 (1984), 58–69.

39. Some confederalists in other parties, like Maurice Schumann (once MRP president) and Edgar Faure (once Radical president), joined the Gaullists. This is partly why the Gaullists—once almost all traditionalists—split over confederal and traditional views in the 1970s. For the same reason, centrists became more homogeneously pro-community (see below).

40. Roussel, *Pompidou,* 296; Michel Jobert, *Mémoires d'avenir* (Paris, 1974), 151; Catherine Nay, *La double méprise* (Paris, 1980), 72.

41. Association Georges Pompidou, *Pompidou,* 575–76. See also Claude Debbasch, *La France de Pompidou* (Paris, 1974), 156; Bernard, "Pragmatisme," 241; *Le Monde,* November 6 and 16–17, 1969. Michel Debré was a notable exception. He had always been a strong Anglophile (not without contradicting himself!), and quickly endorsed Pompidou's change.

42. Like Louis Vallon, Jean-Marcel Jeanneney, Christian Fouchet, Jacques Vendroux, and David Rousset. Jean-Paul Cointet, "Georges Pompidou, Charles de Gaulle, les Gaullistes et la construction européenne," in Association Georges Pompidou, *Pompidou,* 531–41.

43. Marie-Elisabeth de Bussy, "Les partis politiques et les Communautés européennes sous la Cinquième République," in *La France et les Communautés européennes,* ed. Joël Rideau (Paris, 1975), 101–71.

44. In late 1969, 52 percent of those polled favored a British accession, much like the 49 percent support in 1961. Popular support jumped over 60 percent after Pompidou made clear his policy shift, in 1970–71. French farmers' percentages of support and opposition were identical to those of the larger population. Henri Isaia, "L'opinion publique française et les Communautés européennes," in Rideau, *France,* 287–346. On public opinion in general in 1969—summarized as "a lack of interest for European questions and a desire for continuity in French foreign policy"—see Danielle Bahu-Leyser, "Les Français et l'Europe au temps de la présidence de Georges Pompidou," in Association Georges Pompidou, *Pompidou,* 603–32. On the unimportance of European issues in the campaign, see Paul-Marie de La Gorce, "Le président Georges Pompidou et l'Europe," in Rideau, *France,* 63–76.

loose group allowed him to define pro-EEC platforms, favoring British accession as of 1962, European Parliament elections, a European Senate, and monetary union.[45] But many leading Independents were "more Gaullists than Giscardiens," openly criticizing Giscard's views on Europe.[46] Independent voters were no more pro-EEC than the Gaullists. Similarly, some centrists who favored enlargement joined Pompidou's majority, but Europe was marginal to this shift. In fact, it reflected the massive failure of the centrists' EEC-based platform. The MRP and Radicals had fallen apart in the 1960s as the Gaullists grew.[47] Their remnants combined into anti-Gaullist, pro-community centrists (the Centre Démocratie et Progrès of Jacques Duhamel, and Jean Lecanuet's Centre Démocrate). By 1968, they held only twenty-six Assembly seats. This weakness, more than hope for change on the EEC, led Duhamel's less doctrinaire group into the majority in 1969.[48] It pushed Lecanuet into alliance with the UDR in 1973, bringing his group a small recovery. In sum, far from representing a rising current in French politics, the pro-EEC center suffered "seven years of eclipse" until Giscard's election in 1974.[49]

Simultaneous coalition building on the left also displayed disincentives to pro-community views. In 1969, the much-diminished SFIO championed a British accession, European Parliament elections, and monetary union, as it had throughout the 1960s.[50] The Communists, left-wing Socialists, and the Parti Socialiste Unifié (PSU) of Michel Rocard opposed supranationality and further EEC development. The Socialists' electoral fortunes began to improve

45. The Centre National des Indépendants et Paysans (CNIP) dissolved in the early 1960s over Algeria, the Fifth Republic, and Europe. Over the 1960s, Giscard rebuilt the "Independent Republicans" to half of their former strength (64 seats in 1968, from a low of 35 in 1962) on his own popularity and electoral alliances with the Gaullists. Jean-Claude Colliard, *Les Républicains indépendants et Valéry Giscard d'Estaing* (Paris, 1971).

46. Like longtime interior minister Raymond Marcellin, André Bettencourt, Jean Chamant, and party president Raymond Mondon. Partly in response to de Gaulle's second British veto, Giscard issued a series of statements in summer 1967 denouncing the government's policies; Marcellin, Chamant, and Bettencourt issued a counterstatement of their complete support for de Gaulle. Similarly, while Giscard called for a "no" vote in the referendum that led to de Gaulle's departure, four-fifths of Independent members voted "yes." Jean-Christian Petitfis, *La démocratie giscardienne* (Paris, 1981), 29–31; cited phrase from J. R. Frears, *Political Parties and Elections in the French Fifth Republic* (London, 1977), 63.

47. The MRP disintegrated above all "as a consequence of large-scale defection of its leaders and electorate to de Gaulle." William Safran, "Centrism in the Fifth Republic: An Attitude in Search of an Instrument," in *The Fifth Republic at Twenty*, ed. William Andrews and Stanley Hoffmann (Albany, N.Y., 1981), 123–45.

48. François-Georges Dreyfus, *Histoire de la démocratie chrétienne en France* (Paris, 1988), 372–76. Safran ("Centrism") makes no mention of Europe in a detailed analysis of the centrists' move into the majority.

49. Dreyfus, *Histoire*, 379. One of Giscard's chief electoral strategists, Michel Pinton, told me that Lecanuet never mentioned Europe in their talks in 1974. Interview, Paris, May 23, 2001.

50. Bussy, "Partis," 132–36; Jean-Paul Brunet, "Les gauches, Georges Pompidou et l'Europe," in Association Georges Pompidou, *Pompidou*, 555–74; Jacques Huntzinger, "The French Socialist Party and Western Relations," in *The Foreign Policies of West European Socialist Parties*, ed. Werner Feld (New York, 1978), 68–82.

only when François Mitterrand crafted a broad left alliance in 1972. To do so, the pro-community leader papered over European conflicts with traditionalist left-wingers. This was so successful—with a Parti Socialiste gain of 44 seats in 1973, and 85 for the left overall—that Mitterrand had to fight to prevent a complete Socialist reversal to an antisupranationality stance. He tendered his resignation as party head in mid-1973 to force traditionalists to a vague compromise, calling for French socialism and European integration to proceed in tandem.[51]

Giscard's shifts in European policies still more clearly reflected his own beliefs rather than domestic demands. Indeed, Giscard faced strong incentives to downplay his well-known pro-community views. He had consistently supported plans for EEC development since arguing for the Treaties of Rome as a young deputy.[52] This stance derived broadly from a belief in modern interdependence and from a fascination and admiration for Germany; EEC integration would allow France to keep up with, control, and wield German power globally.[53] To become president, however, he had to win support from his much larger UDR allies in 1974. His key new support came from Jacques Chirac and the "pompidoliens" who, though rivals to the historic Gaullist barons, were no champions of further change in EEC policies. In both rounds of the popular vote (and in later elections as well), Giscard's electorate was almost identical to Pompidou's in 1969.[54] He was the candidate of the right, not a pro-EEC center.

The greatest portion of Giscard's victory thus came despite rather than thanks to his known positions on Europe. His domestic pressures became clearer as he altered French policies. Least contested was his initiative (already discussed under Pompidou) for meetings of EEC leaders, creating a trimesterial European Council. Privately, Giscard saw this plan as a way to free leaders from the nationalistic limits of their own ministers and officials.[55] But Pompidou and many Gaullists favored it as a Fouchet Plan–style reassertion of national control over Brussels, and Giscard did not dispute this view publicly. More controversially, he named a notably pro-community diplomat (Jean Sauvagnargues) as foreign minister and endorsed direct elections to a European Parliament with increased powers, a gradual return to majority voting in

51. Mitterrand's artful language allowed both pro- and anti-EEC Socialists to believe the platform reflected their position. Huntzinger, "French"; Kevin Featherstone, *Socialist Parties and European Integration* (New York, 1988), 120; Bussy, "Partis," 143.

52. Françoise de La Serre, "L'Europe communautaire entre le mondialisme et l'entente franco-allemande," in *La politique extérieure de Valéry Giscard d'Estaing*, ed. Samy Cohen and Marie-Claude Smouts (Paris, 1985), 86–109.

53. J. R. Frears, *France in the Giscard Presidency* (London, 1981), 106.

54. Frears, *Political*, 202; Jacques Berne, *La campagne présidentielle de Valéry Giscard d'Estaing en 1974* (Paris, 1981); J. R. Frears and Jean-Luc Parodi, *War Will Not Take Place: The French Parliamentary Elections of March 1978* (London, 1979), 24, 154.

55. According to a senior French diplomat working in Brussels at the time. Interview, Paris, May 7, 1997.

the Council of Ministers, and a relaunch of the EMU talks that had failed under Pompidou.[56]

This institutional push—much more than the technical monetary issues detailed below—drove debate over Europe through Giscard's term. Only the centrist grouplets and some Socialists supported his stance. Major Independents like Raymond Mondon and Raymond Marcellin were skeptical but did not criticize the president publicly.[57] Most French diplomats opposed the changes.[58] The Gaullists, though all hostile to EP elections, split over how strongly to challenge the president. Premier Chirac, whose support for Giscard quickly soured into rivalry, cited the Élysée's continued push for EP elections as the last straw when he resigned in summer 1976.[59] In the campaign for the first EP elections in June 1979, Chirac and Michel Debré led an escalating attack on Giscard's European views. It reached a height in December 1978, as Giscard was negotiating the final EMS deal, when Chirac published a statement denouncing Giscard's UDF as the "party of foreigners."[60] Overall, concludes one account, "[h]owever much [Giscard] may have been inclined to alter the foundations of French foreign policy . . . he was constantly obliged to pander to the myth of 'independence' and to fight to protect the solid material gains that the French had obtained in earlier Common Market battles."[61]

French Strategies in Monetary Affairs

This chapter's main claims concern the specific echo of this broad pattern in monetary affairs. French elites' varying ideas about Europe also shaped their views of possible and desirable European monetary projects, in ways that did not trace to objective international or domestic constraints. Practically all French elites agreed that the breakdown of the international monetary system in the early 1970s created strong incentives for European monetary cooperation. They also agreed that geopolitical concerns—building European independence from the United States and keeping France on par with Germany—magnified these incentives. But within this vague consensus, French leaders disagreed over the desirable institutional shape of such cooperation and over how much

56. Giscard was the first French president to call the Parliament by that name, rather than the Assembly. In a 1974 speech to the EP, Sauvagnargues called for "a strongly constituted European Union, with major transfers of sovereignty." This provoked a wave of Gaullist attacks. Jean Bothorel, *Le Pharaon: histoire du septennat giscardien* (Paris, 1983), 158; *Le Monde,* October 18, 1974.

57. Interview, a minister in the Barre government, Paris, May 15, 1997. Even Giscard's two main diplomatic counselors were split. Gabriel Robin opposed EP elections and other institutional change; Jean-François Poncet (later foreign minister) was strongly pro-community. Interviews; and see Samy Cohen, "La politique extérieure de la France de 1974 à 1981: un seul homme? un homme seul?" in Cohen and Smouts, *Politique,* 18–37.

58. Interviews; Christian Lequesne, *Paris-Bruxelles: comment se fait la politique européenne de la France* (Paris, 1993), 188.

59. François-Olivier Giesbert, *Jacques Chirac* (Paris, 1987), 279.

60. *Le Figaro,* December 8 and 14, 1978. See also Chirac's statements before the National Assembly in June 1977, cited in Nay, *Double,* 260, 283–89; Giesbert, *Chirac,* 317–23; Ludlow, *Making,* 201–3.

61. Ludlow, *Making,* 31.

they would compromise French policies to make it successful. Even before the chaotic monetary crises of 1971—in a time when European cooperation probably stood the best chance of succeeding—Pompidou rejected the institutional terms that other European governments desired for the EMU and insisted on retaining French freedom of maneuver. Later, despite economic conditions less favorable to a monetary deal, Giscard put a higher priority on European monetary coordination, approved of central institution building, and was willing to compromise French independence to obtain them.

Pompidou: No to Monetary Integration before the Crisis

Pompidou's overtures in the EEC put monetary integration on the agenda, but his aspirations were limited. He hoped mainly for central bank cooperation against the dollar. His hostility to any further institutional steps blocked monetary talks in late 1970, well before larger crises ended them. This was not immediately crucial: the crises of 1971–73 would likely have undercut monetary integration under any French leadership. But Pompidou's decisions have longer-term significance. When contrasted to the positions of his finance minister, Giscard, they show the same argument over French interests that would emerge seven years later around the EMS.

Serious monetary talks began with Pompidou's EEC conference in December 1969. A committee under Luxembourg premier Pierre Werner was created to study progress to Economic and Monetary Union. Two broad positions quickly formed. The strong-currency Germans and Dutch wanted national houses put in order before coordination began. Convergence of national policies would lead in a later stage to an exchange rate regime wherein currencies gradually moved to fixed parities, ending in a single currency under a European central bank. Concurrent revisions of the EEC Treaty would extend majority voting and European Parliament powers. The weak-currency French, Belgians, and Luxembourgers reversed this process, insisting that coordination was needed to help them shape up. An exchange rate regime would narrow margins of fluctuation immediately, national policies would be broadly coordinated, and an Exchange Stabilization Fund would help the weak currencies converge. They gave little attention to broader institutional issues.

The committee managed to compromise in the final Werner Report of October 1970. It called for "parallelism" between national convergence and creating European mechanisms to support convergence. A first three-year stage would coordinate all aspects of short- and medium-term economic policy, with new medium-term credit facilities to help convergence.[62] A stabilization fund and exchange rate regime would emerge by the second stage. Institutionally, an intergovernmental conference would convene to alter the Treaties of Rome, to create a "community system of central banks" modeled on the American Fed-

62. Credit facilities are commitments to loans between central banks when currencies are in difficulty. Short-term facilities (to be paid back within thirty days) already existed among EEC members.

eral Reserve, as well as a European "decision-making center for economic policy." New European Parliament powers were suggested. No details linked the first stage to the final goal of EMU in 1980, but the report agreed on immediate steps, the end point, and negotiations in between.

But this compromise was limited to the committee. With the report's publication, notes one account, "[t]he conflict which had separated France, Belgium and Luxembourg on the one side and Germany, the Netherlands and Italy on the other, was replaced by a much older conflict over the form of united Europe which was going to be built."[63] That conflict was mainly within France. The French committee member, chosen by Giscard, was Bernard Clappier, once Robert Schuman's cabinet director and now deputy governor of the Banque de France.[64] Clappier had long been one of the most pro-community French officials. He had no detailed instructions in the talks. His compromise was welcomed and praised by all EEC governments—except his own.

Pompidou, with encouragement from the orthodox Gaullists, was "enraged" by the Werner Report.[65] An announcement was made that Clappier had acted only as a private expert, without committing France.[66] The president's ire was directed mainly at the "monstrous" institutional plan, with its central monetary and economic policy mechanisms. But he even thought the detailed first-stage agenda went too far. He said privately that only central bank coordination was needed, with some "budgetary *concertation*" but explicitly without any "integration." France needed a margin of maneuver, since it could not be sure it would not need to devalue: "The Banque de France must be the bank of France," said the president.[67] Clappier's superior, Banque de France governor Olivier Wormser—long a critic of supranationality—agreed.[68]

Giscard, several of his Finance officials, and Foreign Minister Maurice Schumann took a different position. Since the first discussions in 1969, Giscard had pushed for broad policy coordination, an exchange rate mechanism, a stabilization fund, pooled reserves, and even a single EEC representative at the IMF. In response to Pompidou's attack, Giscard tried to find a compromise. He and Schumann insisted in Cabinet meetings that the institutional plan could be toned down in the Council of Ministers session on December 14. Pompidou replied that he did not think a compromise could be reached. When Giscard

63. Loukas Tsoukalis, *The Politics and Economics of European Monetary Integration* (London, 1977), 104.

64. Rainer Hellmann, *Gold, the Dollar, and the European Currency Systems* (New York, 1979), 79.

65. Robert Frank, "Pompidou, le franc, et l'Europe, 1969–1974," in Association Georges Pompidou, *Pompidou,* 339–69; Simonian, *Privileged,* 89; Tsoukalis, *Politics,* 104; *Le Monde,* October 21, 23, 1970.

66. Hellmann, *Gold,* 21.

67. Frank, "Pompidou," 351; Gérard Bossuat, "Le président Georges Pompidou et les tentatives d'Union économique et monétaire," in Association Georges Pompidou, *Pompidou,* 405–47.

68. Interview, senior Finance official, Paris, May 14, 1997.

continued to insist that a solution was possible, Pompidou made his view explicit: "I do not want us to succeed on December 14."[69]

The president had the last word. The December 14 meeting failed, and in January 1971 the Werner Report was replaced by a short, vague agreement negotiated by Pompidou's advisors. The final goal was left as Economic and Monetary Union without institutional specifics. In the first stage, the Germans agreed to a medium-term credit facility and a slight tightening of intra-EEC exchange rate fluctuations.[70] But since the French refused other binding limits on their own policies, the Germans demanded an escape clause from even these promises.[71] Internal French debates—not an unbridgeable divide between strong- and weak-currency countries—had eviscerated the Werner Plan.

Only *after* Pompidou's sabotage of the talks did the main crises of the Bretton Woods fixed-rate regime begin, in May 1971. But the significance of his difference with Giscard was long-term—foreshadowing battles over the EMS—not immediate. The crisis would have undercut a deal even under Giscard's leadership. When a huge inflow of dollars into marks erupted in May, Giscard agreed with Pompidou that breaking with the Germans was preferable to what Bonn proposed: a joint European float versus the dollar.[72] Whatever their views on Europe, French elites in 1971 believed that fixed exchange rates had to be defended and that the crisis was between the dollar and the mark, so a dollar devaluation, a mark revaluation, and capital controls for intra-EEC stability were the solution. The Germans, under huge speculative pressure and facing an unhelpful United States, opted for a unilateral float that ended EEC cooperation. The French responded by tightening exchange controls, introducing a protective "two-tier" exchange rate, and withdrawing their EEC monetary committee members for several months in protest.

The apparent restoration of EEC cooperation in Pompidou's last years was superficial. The end of dollar-gold convertibility in August 1971 announced the end of fixed rates. In December, the Smithsonian Agreement tripled the Bretton Woods margins of fluctuation to ±2.25 percent around the dollar. This meant intra-EEC exchange rates (between two currencies swinging to either side of the dollar) could vary by 9 percent. To prevent this, the French and Germans agreed in March 1972 to commit to EEC bands of ±2.25 percent versus each other (halving the potential variation), but without other monetary sup-

69. Frank, "Pompidou," 354, 453.

70. Intra-EEC exchange rates, which in 1970 were fluctuating within ±0.75 percent of a dollar parity rate, would be tightened to ±0.60 percent as of June 15, while other rates continued to fluctuate at the ±1 percent Bretton Woods band.

71. This clause stated that commitments on exchange rates and credit facilities could be dropped failing sufficient convergence within five years. Frank, "Pompidou," 354; Tsoukalis, *Politics*, 107–11.

72. EEC currencies would float upward together, keeping their own relative parities and diluting the dollar inflow across them (in principle).

port or long-term goals. This European band within the global band, a half step toward Germany's common-float idea, was called the Snake in the Tunnel. Then, when the dollar continued to decline, the United States abandoned the Smithsonian bands. The tunnel disappeared from around the Snake. The result, in March 1973, was the self-help European float the Germans had proposed in 1971.

Giscard now put a high priority on the Snake. He saw it as important to hold up the franc's value and to keep alive hopes for a return to fixed rates in Europe.[73] But Pompidou and his new foreign minister, the very nationalist Michel Jobert, increasingly saw the Snake as an unnecessary constraint. Monetary cooperation without German support was worthless. When the next crisis hit, Pompidou and Giscard diverged sharply. Rising French inflation in 1973 accelerated with the first oil crisis. The Germans began a harsh anti-inflation plan, creating a growing Franco-German inflation differential and speculation against the franc.[74] Giscard argued for steps to keep the franc in the Snake, both internally and with German support. But Pompidou reasoned that French reserves were insufficient to do so given the rising price of imported oil.[75] In January 1974, while Giscard was in Rome, Pompidou decided to withdraw the franc from the Snake. Once informed, Giscard rushed back to Paris and then to Bonn to find a solution. Pompidou, however, did not let him accept German finance minister Helmut Schmidt's extraordinary offer of a $3 billion loan to support the franc in the Snake.[76]

Internal French conflicts over monetary integration under Pompidou, though limited to private and personal debates by the technical and secretive nature of the subject, reflected the European issues under debate more broadly. Pompidou and Giscard had similar preferences for economic policies, but they disagreed over the priority and institutional terms of EEC monetary development. If the global crises of 1971–73 made monetary integration impossible, this was only after Pompidou had shown his hostility when it did seem possible. Once the immediate crises had passed, these internal French disagreements would take on larger historical significance.

Giscard: Yes to Monetary Integration despite the Crisis

The support for monetary integration Giscard expressed under Pompidou was a constant theme under his own presidency. Though it did not bring the

73. Interviews, Giscard advisor, senior Finance official, Paris, May 1997.

74. French inflation was rising before the oil crisis because wages and the money supply were rising rapidly (partly because 1973 was an election year). At the beginning of 1974, French inflation hit 12 percent and continued upward, while German inflation peaked at 6.5 percent. See Raymond Barre, *Une politique pour l'avenir* (Paris, 1981), 34.

75. This was explicitly Pompidou's thinking (see Hellmann, *Gold*, 44), but it was contested at the time. It looked likely (and proved to be the case) that the franc would lose value outside the Snake, increasing the oil bill.

76. Hellmann, *Gold*, 44.

economic underpinnings of European "convergence," he eventually gained the domestic autonomy to push a monetary project anyway.

One of Giscard's first acts was to replace the Euro-skeptical Banque de France governor, Wormser, with Bernard Clappier.[77] Clappier would later be his representative in the EMS talks. More importantly, he ignored widespread economic and political advice to quickly reinsert the franc in the Snake. To rein in inflation (now approaching 15 percent), he and his finance minister, Jean-Pierre Fourcade (Indep.), instituted a harsh cooldown plan, with extreme measures to tighten credit and price controls and a new business tax. Though the main result was a recession by early 1975, inflation decreased slowly, strengthening the franc.[78] Giscard seized on this to justify reentering the Snake. In a devoutly European speech on May 9, 1975—the twenty-fifth anniversary of the Schuman Plan—he announced the franc's return at its former parity rate.

Most officials in the Quai's Economic Affairs and the Trésor thought this untenable. Even Fourcade and Clappier thought it "daring."[79] Much of French business was resolutely and publicly opposed to the high parity for export reasons.[80] The other EEC governments worried as well. Afraid the franc would weaken their own currencies, they saw greater appeal in hints that the Swiss wanted their robust currency to join the Snake. But they accepted German chancellor Helmut Schmidt's political argument that as co-founders of the mechanism, the French had the right to rejoin. When the franc officially returned in July 1975, Fourcade proclaimed to journalists that France saw the Snake as "the essential instrument of European integration."[81]

Neither Giscard nor Fourcade sought to lock in the franc to a strict regime. The reentry was accompanied by French proposals to widen the Snake's bands, facilitating the return of the other weak currencies recently forced out (the pound, Belgian franc, and lira). This the Germans flatly rejected. The French also pushed their partners' generosity by vetoing a Swiss entry, which they feared would drag the entire Snake zone upward.[82] If there was still any doubt that substantive French policies had not changed, domestic steps soon made this obvious. In summer 1975, Premier Chirac convinced Giscard to let him try a fiscal expansion for electoral reasons, hoping to stop the left's steady rise in the polls. Fourcade objected that this was inconsistent with their monetary

77. Wormser and Giscard did not disagree much over economic policy—both tended to privilege inflation fighting more than most French elites—but they had a difficult personal relationship and disagreed on European questions. Interviews, and Goodman, *Monetary*, 116.

78. Volkmar Lauber, *The Political Economy of France: From Pompidou to Mitterrand* (New York, 1983), 81–84; Robert Flanagan, David Soskice, and Lloyd Ulman, *Unionism, Economic Stabilization, and Incomes Policies: European Experience* (Washington, D.C., 1983), 630–35; Albert Lebacq, *Le septennat* (Paris, 1980), 45.

79. Interviews; Hellmann, *Gold*, 49.

80. French business calls for lowering the franc rate were so loud and consistent that they were later blamed by many officials, in France and elsewhere, for causing the speculative crises of spring 1976. Hellmann, *Gold*, 57.

81. Hellmann, *Gold*, 51.

82. Ibid.

goals, and Giscard had serious misgivings himself, but all agreed that electoral incentives pointed this way.[83] The results were predictable. Spending equal to 1.8 percent of GDP restarted growth and leveled off unemployment, but imports and the balance of payments exploded. The franc weakened. In March 1976, just before the left won a broad victory in cantonal elections, speculation forced the franc out of the Snake again.

Thus Giscard's first attempt to restart monetary cooperation ran into electoral and economic constraints. His next try would wait until the risk of losing his majority passed in March 1978—though he continued regular calls for steps toward EMU.[84] In the meantime, he drew partial lessons from the failed stop-and-go of 1974–76. Chirac was pushed to resign in August 1976. Ex-EEC commissioner Barre—author of one of the first EMU plans—took over as prime minister and finance minister, proclaiming he would fight inflation, balance trade and payments, and support the franc. But as noted above, Barre reversed short-term policies, not the broad economic scene. Though the budget deficit was cut by almost half (from the ballooned expansion of 1975), and a government-led export drive balanced trade and payments by 1978, inflation remained stubbornly around 10 percent. Wage growth decelerated, but productivity growth stayed even slower, so French firms became no more profitable. The franc kept falling slowly.[85]

The political effects of the Barre Plan were still less salutary. Barre and Giscard became the least popular premier and president of the Fifth Republic.[86] The majority slowly split, with Chirac's Gaullists (now the Rassemblement pour la République, RPR) calling for reflation rather than Barre's "austerity" just before the 1978 elections. Only the breakdown of the Union of the Left in July 1977 saved the day. To everyone's surprise, the right kept its majority. The RPR beat expectations, staying the largest party with 154 seats (gaining 6). The Independents and centrists lost 14 seats (to 123), but gained new clout by federating into the UDF behind Giscard.

This unexpected and unrelated boost—not economic conditions or domestic demands—let Giscard return to his European monetary agenda. The Franco-German inflation differential stood at 6 percent. Though the franc had become somewhat undervalued in fear of a left majority, the stability of Franco-German exchange rates was clearly temporary. Politically, French business supported much of Barre's agenda—rolling back price controls, wage growth, and business debt, increasing productivity and exports—and in principle favored European cooperation to stabilize exchange rates, but were critical of the policies necessary for a strong franc.[87] Business leaders echoed the RPR's calls for

83. Nay, *Double,* 173.

84. Ludlow, *Making,* 33, 58; *Economist,* December 4, 1976, and January 12, 1977.

85. Flanagan, Soskice, and Ulman, *Unionism,* 637; Oudiz and Sterdyniak, "Inflation."

86. In late 1976 Giscard polled 39 percent, Barre 35 percent. Frears and Parodi, *War,* 31.

87. The major moderate union, the CFDT, agreed some austerity was necessary, but its support still went to the Socialists. George Ross, "French Labor and Economic Change," in *France in the Troubled World Economy,* ed. Stephen Cohen and Peter Gourevitch (Boston, 1982), 151–79.

putting growth first. They also still generally favored a lower franc to boost exports.[88] Barre rejected their pressure, ruling out devaluation repeatedly publicly and privately.[89] Small business, as usual, was even less supportive of economic orthodoxy, strongly preferring the RPR's strategy. Public opinion leaned heavily in the same direction.[90]

Giscard thus had the autonomy, not a mandate, to pursue monetary coordination.[91] A shift in German strategies in early 1978 met him halfway. Chancellor Schmidt faced growing domestic pressure to moderate the mark's rise to help German exports. Though the Bundesbank and many of his economic officials opposed weakening the mark by hitching it to the franc, Schmidt proposed secret talks to Giscard with this in mind. Giscard was delighted. Without informing either skeptical French finance minister René Monory (Indep.) or his German counterpart Hans Apel (who had dismissed similar recent suggestions from the Commission as "nonsense"), Giscard instructed Bernard Clappier to sketch a new deal "beyond the Snake."[92]

Clappier's proposals made clear that "lock in" to a strict regime remained far from Giscard's mind. He suggested more ambitious versions of the support the French had sought since 1969. To help weak currencies, the Snake's credit facilities would be expanded to form a European Monetary Fund. To strengthen European influence versus the dollar, members would pool 20 percent of their reserves. Central bank intervention would occur with fluctuations relative to the European Currency Unit (ECU) basket of currencies, not a grid of bilateral parities as in the Snake. This would force both strong and weak currencies to adjust.[93] Schmidt was personally willing to entertain all of these arrangements.[94] Given domestic hostility to weakening the mark, however, he insisted that the draft present the plan rhetorically as "at least as strict as the Snake," while noting that "[t]he ECU will be at the center of the system."[95]

88. Lauber, *Political,* 139.

89. Ibid., 98, 140; Barre, *Politique,* 76.

90. Lauber, *Political,* 149–58.

91. Ludlow writes that Giscard was "released from political captivity." *Making,* 61.

92. Ludlow, *Making,* 57. The Quai was also uninformed. A Giscard advisor told me that Giscard told Schmidt, "If people know about this, we'll get all the flak we had before [with the Werner Report]." Interviews.

93. In the Snake's bilateral grid, strong divergence between two currencies meant both countries had to intervene—but while the strong-currency country had to *buy* foreign currencies (increasing official reserves and strengthening its position), the weak country had to *sell* foreign currencies, decreasing its reserves and further weakening its position. This placed the real burden on weak-currency countries to fix things unilaterally. In the ECU-based system, any currency that diverged strongly from its ECU rate would be singled out as a problem, and its bank would intervene. As Clappier noted in the discussions, the divergent currency in the past was usually the mark. The new system would highlight this rather than blaming others. The ECU-based arrangement was not completely balanced between weak and strong, since stronger currencies would gradually be weighted more heavily in the basket and so could slowly drag all the central rates upward. But if the French proposal was not the most supportive system imaginable, it was probably the least strict system any German would discuss. Ludlow, *Making,* 160–65.

94. Ludlow, *Making,* 106, 126.

95. Ibid, 301.

Outside the secret talks, comments by uninformed French officials underscored the prevailing skepticism. The Snake had failed, they felt, and the franc might not even survive in a more supportive system. In June 1978 Finance Minister Monory warned against "excessive haste" in monetary steps.[96] Discussions in the EEC Monetary Committee made no headway at all. The French representative, Banque de France deputy governor Renaud de la Genière, was not privy to the parallel talks and made no similar push. Even the French EEC commissioner for monetary affairs, François-Xavier Ortoli—Pompidou's main economic advisor, and a Euro-pragmatist with close ties to French business—thought serious progress impossible.[97]

Once Clappier's plan was made public in July 1978, Schmidt's concessions to a supportive system attracted broad French support. Both Mitterrand and Chirac endorsed the initiative in meetings with Giscard in July.[98] Yet their enthusiasm, like the initial plan itself, was short-lived. Once formal negotiations began in the fall, the plan quickly changed into a much less supportive, Snake-like accord. The cause was an attack on Schmidt's positions by the Bundesbank, with support from the economic bureaucracy, much of German business, and the CDU opposition. An internal onslaught drove Schmidt back to earlier German positions, causing him to suppress his hopes for the European Monetary Fund and reject the ECU-based system.[99]

It was Giscard's reaction to this change that most clearly displayed how he diverged from many of his compatriots. He wanted new monetary coordination, despite the persistent Franco-German economic divergence, and even if the deal brought little more support than the Snake. In meetings with Schmidt in September and October 1978 that were heavy on Euro-symbolism (held in Aachen, capital of Charlemagne's empire), he quickly approved basing the system on a bilateral grid, with only a secondary "guiding" role for ECU pegs.[100] Giscard said to the press, "The spirit of Charlemagne blew through Aachen throughout this Franco-German summit."[101]

Other actors in France and other weak-currency countries balked at these

96. Ibid, 95–98.

97. In October 1977, Ortoli had publicly dismissed Commission president Roy Jenkins's suggestion of new monetary steps as "politically absurd." He remained skeptical throughout 1978. Ludlow, *Making*, 57, 97; and interviews, Finance officials and Ortoli, Paris, May 14, 1997.

98. *Le Figaro*, July 5 and 22–23, 1978. But traditionalists like Debré also opposed the notion of a strong European Monetary Fund because it would pool French reserves under common authority. *Le Monde*, January 12, 1988.

99. Oatley, *Monetary*, 57–64; Moravcsik, *Choice*, 254, 300; Ludlow, *Making*, 180–84.

100. Both sides tried to present this as a compromise; while the EMS would use a bilateral grid, ECU parities would be used to signal a call for intervention. But the latter clause was nonbinding (and would later be ignored in practice), so the deal amounted to a French concession. Moravcsik, *Choice*, 300; Ludlow, *Making*, 183. The EMS did include some stronger monetary support than the Snake, extending the amount and time limit for short-term credit facilities (from 6 to 14 billion ECU and from 30 to 45 days), and increasing medium-term facilities by the same amount. These were generally perceived as very minor adjustments, however.

101. *Le Figaro*, September 15, 1978.

concessions. The British opted not to join. The Italians demanded special allowances and side payments. French officials agreed: "There were many [French officials] who were giving up. They were disappointed: why bother when the Snake had failed?"[102] Ex-Banque de France governor Wormser argued in *Le Figaro* that the new accord was of little interest and would fail.[103] A *Le Monde* piece argued that it confirmed German dominance.[104] A new objection came from French farmers as well. No deal was acceptable, they argued, without dismantling the Monetary Compensation Amounts (MCAs) that repaid German farmers for the steady revaluation of the mark.[105] Agricultural bureaucrats and the RPR took up this call as part of their assault on Giscard's European policies in the run-up to the EP elections.[106] Internally, Giscard was "violently attacked" by Agriculture and Quai officials for suggesting that the EMS deal should not hinge on the MCAs.[107]

The president bowed briefly to these pressures in December. A French hold was placed on the fully negotiated deal, pending MCA talks. The Germans refused to budge. Two months later, the hold was lifted, and Giscard announced the EMS's entry into force. He had decided a relaunch of monetary integration was worth a slight electoral risk.[108] He and Schmidt agreed nonetheless not to sign a formal treaty, to avoid dangerous ratification debates.

The EMS was not the more supportive and lax system that Giscard (like other French elites) had hoped for. Nor did it include the major steps in central institution building that he (unlike many of his allies) had consistently favored. But Europe had moved forward again, thanks to a process that one of Giscard's advisors described to me as "completely top-down driven." Similarly, a French expert summarized that the EMS "was not, in any case, the spontaneous product of a broad consensus on the necessity of a new step toward Eco-

102. Interview, senior Finance official, Paris, April 23, 1997. See also Alain Prate, *Quelle Europe?* (Paris, 1991), 251; Dorothée Heisenberg, *The Mark of the Bundesbank: Germany's Role in European Monetary Cooperation* (Boulder, Colo., 1999), 66.

103. *Le Figaro,* December 2, 12, 1978.

104. *Le Monde diplomatique,* October 17, 1978.

105. The MCAs were created after the French devaluation/German revaluation of 1969. In the common CAP pricing system, these shifts raised the prices French farmers received (now getting more francs for the same price) and lowered German farmers' receipts. The French feared this was inflationary; the Germans feared a political backlash. The solution was to set "green" exchange rates alongside normal ones, upheld by import subsidies/export duties in France and the opposite in Germany (the MCAs). This denied French farmers the competitive advantage of the devaluation. Undoing the MCAs became their main European goal. John T. S. Keeler, "French Agricultural Policy and the External Challenges of the 1980s," in Cohen and Gourevitch, *France,* 97–113.

106. Ludlow, *Making,* 281.

107. Interview, an advisor to new foreign minister Jean-François Poncet, Paris, May 12, 1997. He said there was "enormous pressure" within the administration on the MCAs and that even one of Giscard's advisors, Jean-Claude Paye, insisted that the MCAs were a make-or-break condition for the EMS. (Paye himself did not remember his opposition in interview, Paris, March 8, 1998.)

108. Confirmed in interviews with two of Giscard's three foreign ministers, two of his personal economic advisors, and his main electoral strategist. Giscard saw the farmers' objections as a minor annoyance. Schmidt later called this delay "an unavoidable need to temporarily pay tribute to French agricultural interests." Helmut Schmidt, *Die Deutschen und ihre Nachbarn* (Berlin, 1990), 228.

nomic and Monetary Union."[109] One of Giscard's chief domestic-political strategists in the 1970s, Michel Pinton, told me that the EMS project was a "huge political error" that cost Giscard his reelection in 1981.[110] Chronicler Peter Ludlow calls it "an initiative . . . in the Monnet style with Mr. Schmidt and M. Giscard d'Estaing operating outside the normal channels, through trusted agents."[111] Pro-community leadership had committed France to a new set of institutional rules.

HOLDING THE PATH: THE EMS AND THE SOCIALIST U-TURN OF 1983

What was the historical divergence between Giscard's EMS strategy and the status quo preferred by most of his allies, officials, and constituents? The answer lies in the test to which Giscard's commitments were soon subjected, with the election of Socialist François Mitterrand as president in 1981. He tried to maintain the EMS while turning French economic policies to Keynesian expansion. The latter gradually failed, further weakening the franc. Forced to choose between abandoning either his domestic agenda or the EMS, Mitterrand chose the former in 1983. This "U-turn" defined his presidency. All accounts agree that it set the stage for major changes in France and Europe.

Some scholars assign the EMS little credit (or blame) for the U-turn. To some extent, Mitterrand's initial plans were indeed bound to fail: his expansion coincided with an unexpected global recession, producing a combination of flat French exports and ballooning imports that undercut the balances of trade and payments. For rationalists like Andrew Moravcsik or Michael Loriaux, the EMS was merely a "scapegoat," blamed for the costs of adjusting to the structural imperatives of European and global interdependence.[112] The same "constant causes" that drove Giscard to create the EMS led Mitterrand to accept it.

But other analyses suggest that the institutional legacy of the EMS "amplified the political costs of policy divergence" from other countries.[113] This section builds on these analyses, focusing on Mitterrand's economic options and the reasoning that led him and other French leaders to select between them in 1981–83. I do not argue that Mitterrand endorsed the EMS due to his pro-community views, which were overshadowed through 1983 by his incompati-

109. La Serre, "L'Europe," 97.

110. Pinton also argued against the EMS at the time. Interview, Paris, May 22, 2001.

111. Ludlow, *Making,* 89.

112. Moravcsik, *Choice,* 273, 491; Loriaux, *France,* 229–31; David Andrews and Thomas Willet, "Financial Interdependence and the State: International Monetary Relations at Century's End," *International Organization* 51:3 (1997), 479–511; David Bell and Byron Criddle, *The French Socialist Party: The Emergence of a Party of Government* (Oxford, 1988), 162; Julius Friend, *Seven Years in France: François Mitterrand and the Unintended Revolution, 1981–1988* (Boulder, Colo., 1989), 64; V. Schmidt, *State,* 109–12.

113. The most explicit arguments are Sachs and Wyplosz, "Economic," 294; Oatley, *Monetary,* 126; Goodman, "Monetary," 173.

ble ideas on economic policies.[114] Instead, much like de Gaulle after the EEC, Mitterrand faced expectations engendered by an institutional deal he would not have struck. These expectations—derived from the EMS itself, not exogenous structural pressures—explain both the timing and the extent of the U-turn. Without the EMS, Mitterrand's initial economic agenda would have survived longer and changed less, with major implications for the development of European institution building in the 1980s.

The EMS came into question immediately after the election of May 1981. Barre had left the franc weak, with a 10–15 percent real appreciation in the EMS since 1979.[115] Inflation was rising past 13percent, and unemployment and the trade deficit were surging.[116] Mitterrand's victory provoked capital flight, sending the franc to its EMS floor. Three options were discussed in the new government. An eclectic group (left-wing research minister Jean-Pierre Chevènement; Mitterrand's more moderate chief of staff Pierre Bérégovoy; Mitterrand's protégé and budget minister Laurent Fabius; Minister of External Commerce Michel Jobert, the most conservative minister) thought the EMS an obstacle to French growth and argued for exit.[117] Planning Minister Michel Rocard suggested a negotiated EMS devaluation, and an EMS exit if the Germans balked. Moderate prime minister Pierre Mauroy and Finance Minister Jacques Delors wanted to defend the EMS parity, since devaluation might bring a snowballing run on the franc.

Though Mitterrand would side mostly with EMS skeptics for the next two years, he chose the third course. He worried that starting his term by devaluing—as had left governments in 1924 and 1936, with disastrous results—might accelerate capital flight. He also feared a loss of public confidence before the upcoming legislative elections.[118] He said to Mauroy, "[O]ne does not devalue the money of a country that has just placed its confidence in you."[119] The government spent a third of its reserves defending the franc, raised interest rates, strengthened exchange controls, and tightened import credits.

Not just this choice but the need for a major decision at all was a direct consequence of the EMS itself. An EMS-less franc would have floated lower before the 1981 election. Fear of a Socialist victory would still have brought specula-

114. These ideas proved incompatible only in practice, not logically. Mitterrand (and many left-leaning economists) believed in 1981 that his policies would strengthen the franc in the EMS (see below).

115. Daniel Gros and Niels Thygesen, *European Monetary Integration* (New York, 1992), 81. A "real appreciation" means the franc kept its EMS parity while losing value in France (due to inflation); the EMS rate was overvalued by 10–15 percent.

116. The trade deficit reached well over 50 billion francs. The second oil crisis in 1979 erased Barre's one real success, the French return to a trade surplus in 1978.

117. Philippe Bauchard, *La guerre des deux roses* (Paris, 1986), 139–45; Franz-Olivier Giesbert, *Le Président* (Paris, 1990), 160–78; Loriaux, *France,* 230.

118. Mitterrand exercised his presidential right to dissolve the Assembly upon his election, to capitalize on his own momentum to elect a Socialist parliamentary majority.

119. Pierre Favier and Michel Martin-Roland, *La décennie Mitterrand,* 3 vols. (Paris, 1990–96), 1:57–60.

tion, but it would have been less without a specific parity to attack. The Banque de France would have retained more reserves, making the franc more credible. Mitterrand would likely still have strengthened exchange controls and raised interest rates to curtail the franc's slide, but no attempt would have been made to defend anything like its overvalued EMS rate.[120] But as it was, Mitterrand had to make an explicit decision to maintain or reject that rate. Fearing the economic and political consequences of an explicit rejection, he defended a position he would not have otherwise chosen. The formal EMS commitments had raised expectations that altered the context for Mitterrand's strategizing. As one journalist wrote, Mitterrand made the "choice of the non-choice," maintaining his goals while adjusting minimally to new constraints.[121]

Years later, Mitterrand and both pro- and anti-EMS ministers saw this as the first step on an increasingly untenable path.[122] They hoped in 1981 that spending would restart growth and boost productivity, easing unemployment, expanding exports, and balancing trade and payments. Experts worldwide predicted faster global growth and rising French exports.[123] Instead, the global economy slid into recession in 1981–82. French growth did increase, but exports stalled and imports exploded. A rising trade deficit and inflation brought new attacks on the franc in fall 1981. Now it was overvalued by 20 percent versus the mark, however, and reserves were dwindling; pulling out of the EMS would be an increasingly drastic step. Yet most of the Socialist leadership still thought that their policies would soon accelerate growth, restoring the franc. Mitterrand authorized Finance Minister Delors to let off pressure with a small devaluation within the EMS, but overruled Delors's request for austerity measures and approved a 1982 budget that only slightly trimmed the expansion.[124]

The economy worsened, and the right swept municipal elections in March 1982. Mitterrand resisted a second EMS devaluation until after hosting a G-7 summit in June, all the while hemorrhaging French reserves. Immediately afterward, the franc was devalued 5.75 percent and the mark raised 4.25 percent. Given a Franco-German inflation differential of 8 percent, this was far from enough. Interest rates were raised to 15 percent. Now the EMS debate widened into a broad battle within the government. Both sides agreed the domestic

120. The Socialist electoral program explicitly rejected strong-currency policies. See Cameron, "Exchange," 60.

121. Serge July, *Les années Mitterrand: histoire baroque d'une normalisation inachevée* (Paris, 1986), 98.

122. Stéphane Denis, *La leçon d'automne* (Paris, 1983), 15; Bauchard, *Guerre,* 33. One of Mauroy's pro-EMS advisors wrote, "In retrospect, it was necessary to let the franc float in leaving the European Monetary System." Thierry Pfister, *La vie quotidienne à Matignon au temps de l'Union de la Gauche* (Paris, 1985), 242. The anti-EMS Bérégovoy said the same: Favier and Martin-Roland, *Décennie,* 1:489.

123. The OECD (plus EEC and French forecasts) predicted 2 percent global growth in 1982 and an increase of 6.25 percent in demand for French exports. Real global growth was under 1 percent. Friend, *Seven,* 52; Favier and Martin-Roland, *Décennie,* 1:111.

124. Delors struck a deal with the Germans to lower the franc by 3 percent and raise the mark by 5.5 percent.

agenda was no longer compatible with the EMS. The earlier skeptics (Chevènement, Fabius, Bérégovoy, Jobert, the four Communist ministers) argued that an EMS exit, a large devaluation, and a short bout of domestic austerity could relaunch domestic growth. Nor were calls for what became known as *l'autre politique* limited to ideological Socialists; it was common in business as well.[125] Mauroy, Delors, and most bureaucrats countered that an EMS exit would bring disaster. They advocated domestic austerity instead.[126]

Mitterrand deferred his choice until after the regional elections of March 1983.[127] In the interim, he favored the anti-EMS view in public and private statements. He denied Delors's demands for austerity measures and warned that if the economy continued to falter, he would leave the EMS.[128] The day of reckoning came when Socialist defeats in March 1983 sparked the largest-yet wave of franc speculation. Reserves were low, having dropped by 65 billion francs over 1982, and options for international credit seemed depleted.[129] The pro-EMS faction insisted that exit would mean a franc free fall, costlier imports, a bigger trade deficit, and ignominious rescue by the IMF. The advocates of exit maintained that even if it would cause a brief crisis, only exit would allow for lower interest rates and domestic expansion in the medium term.

Immediately after the election, Mitterrand endorsed leaving the EMS. Mauroy said he would resign and convinced Mitterrand to hold off while exploring another negotiated EMS devaluation. In the next few days, the pro-EMS group convinced a key anti-EMS figure, Fabius, to switch his position. Several analysts suggest that the disastrous economic numbers they used to do so were at least partly bluff, but Fabius's shift led Mitterrand to reconsider.[130] Delors was allowed to negotiate another EMS devaluation with the Germans. This time, however, the Germans made revaluing the mark conditional on "supplementary guarantees" that included a shift in French domestic policies toward austerity.[131] With Mitterrand's acceptance of these changes, French policies changed definitively. The U-turn had taken place.

How would this story have run in an EMS-less Europe? Even with the EMS, Mitterrand came as close as he could to taking a path of "temporary" protectionism. He hesitated even after two years of defending the EMS parity had

125. Mitterrand received the same advice from friends Jean Riboud (head of the multinational Schlumberger) and Georges Plescoff (of the Suez financial firm).

126. Cameron, "Exchange."

127. Favier and Martin-Roland, *Décennie,* 1:451.

128. Cameron, "Exchange," 67; Favier and Martin-Roland, *Décennie,* 1:428.

129. International debt doubled to $40 billion in 1982, including a $4 billion bank loan that was the largest line of credit ever taken by a government. Bauchard, *Guerre,* 124; Favier and Martin-Roland, *Décennie,* 1:444.

130. The IMF then listed available French reserves at 100 billion francs, more than three times the figures the pro-EMS faction gave Fabius and Mitterrand. Favier and Martin-Roland, *Décennie,* 2:469.

131. In return for a mark revaluation of 5.5 percent (with a franc devaluation of 2.5 percent), the Germans insisted that France increase social security contributions, impose a compulsory loan on taxpayers, and cut deficits.

vastly increased the immediate costs of renouncing its commitments, creating a hugely overvalued franc that meant a float would bring a massive devaluation. (Even after the shift, he saw it as provisional, planning to turn back to *l'autre politique* if it did not work.)[132] Without the prior EMS rules, it is hard to imagine Mitterrand arriving at a radical turnaround in or around 1983. In an EMS-less Europe, the franc would have floated lower in 1981, falling gradually thereafter. Exchange controls and interest rate hikes could have prevented too great a slide, however (as they did within the EMS).[133] Fewer reserves would have been spent to defend an unrealistic rate, international debt would have grown more slowly, exports would have been more competitive, and interest rates could have been at least somewhat lower.[134] An economic analysis of Mitterrand's decisions concludes, "To have left the EMS and devalued competitively in May 1981 would certainly have entailed risks, but would have had some advantages and would have been facilitated by the reserves then available. Such a policy, however, was much riskier by the beginning of 1983, given accumulated debt and a weaker currency reserve position."[135]

Peter Hall, David Cameron, Jeffrey Sachs and Charles Wyplosz, and others echo this claim.[136] Thus an EMS-less France would have had two other options around 1983, both of which Mitterrand would have preferred to that he chose. First, if a floating franc had led to a less disastrous situation, he could have held out for the global recovery that was finally visible in early 1983. Oil prices dropped and French exports began to recover in late 1982, taking pressure off the balance of payments.[137] Socialist electoral incentives were clearly in this direction, as Mitterrand knew (and later defeats in 1984 and 1986 confirmed). Second, if the situation had become dire, he could have appealed to EEC safe-

132. The president told Bérégovoy and Jean Riboud that he would allow Delors to refill French reserves for three months, but then *l'autre politique* might be attempted. But by midsummer 1983 the economic situation was improving, and Mitterrand began to attribute the entire U-turn, back to 1982, to himself. July, *Années*, 109; Giesbert, *Président*, 183; Friend, *Seven*, 69.

133. Giscard had maintained capital controls that allowed lower French interest rates than would otherwise have been necessary to sustain the EMS peg; Mitterrand tightened them in a few steps from 1981 to 1983. Goodman and Pauly, "Obsolescence," 71.

134. Some argue that the French had to keep the franc high because imports (and especially dollar-denominated commodities like oil) became more expensive with devaluation, causing inflation. But Sachs and Wyplosz find that the devaluations of 1981–82 caused little import-driven inflation, with import prices rising more slowly than domestic prices; the rise in inflation was "homemade." Sachs and Wyplosz, "Economic," 279.

135. Alain Fonteneau and Pierre-Alain Muet, *Reflation and Austerity: Economic Policy under Mitterrand* (New York, 1990), 163.

136. Hall, "Socialism," 102; Cameron, "Exchange," 77; Fonteneau and Muet, *Reflation*, 178; Sachs and Wyplosz, "Economic," 294; Oatley, *Monetary*, 126. For other economic research that supports this view, see Paul de Grauwe, *The Economics of Monetary Integration* (New York, 1992); David Papell, "Exchange Rates and Prices: An Empirical Analysis," *International Economic Review* 35:2 (May 1994), 397–410; Olivier Blanchard and Pierre-Alain Muet, "Competitiveness through Disinflation: An Assessment of the French Macroeconomic Strategy," *Economic Policy* 14 (1993), 11–44.

137. Rising international demand was the main factor behind an 8 percent increase in the volume of French exports from late 1982 to late 1983, while the fall in oil prices cut the French deficit with oil-producing countries in half from 1982 to 1984. Fonteneau and Muet, *Reflation*, 105, 167; on expectations of recovery at the time of the U-turn, see *Le Monde*, March 23, 1983.

guards to limit imports and control capital without breaking European commitments.

But Mitterrand did face the EMS. Since he did, he could not let the franc adjust to his policies; he had to publicly *choose* to devalue. The EMS created expectations in financial markets and the French electorate, forcing Mitterrand to meet or reject them explicitly. For two years he avoided this choice for good electoral reasons. This delay steadily increased the costs of undoing Giscard's legacy. The franc's overvaluation and French debt grew while reserves fell. By 1983, Mitterrand found himself reworking his entire political strategy. As Cameron argues, the EMS was the site of "the regime-defining choices of the Mitterrand presidency."[138] The public justification Mitterrand offered for his shift—"to not isolate France within the EEC"—played little direct role in his decision, but it hinted at the direction his regime would take.[139]

CONCLUSIONS

I have argued that Giscard's pursuit of European monetary integration, from the Werner Plan talks to the EMS, set him apart from many of his allies, advisors, and constituents. It distinguished him from his predecessor, Georges Pompidou, in ways that did not trace to electoral, coalitional, or interest group demands. It also corresponded to a broader pattern of debate over European strategies that continued to cut across the main lines in French politics. Giscard's ideas about Europe—framed in the community model he adopted under the Fourth Republic—selected the strategy that led him to the EMS instead of maintaining the status quo. Interpretively, if Giscard used less of a supranational vocabulary than Robert Schuman or Guy Mollet, he had obvious domestic-political reasons to moderate his pro-community rhetoric. His consistent support for the community format before and after his term in office leaves little doubt of his personal views.

I have also argued that the EMS strongly affected later French choices. The main pressures on Socialist policies after 1981 were structural, from rising economic interdependence and a global recession. But the EMS skewed how Mitterrand reacted to these pressures, presenting different choices than he would have faced had his predecessor left European institutions untouched. By forcing him to reject an orthodox monetary policy explicitly, the EMS raised the stakes for the Socialist agenda. In 1981, Mitterrand believed that his policies would succeed and be consistent with the EMS; to the extent that he doubted this, the short-term costs of EMS exit led him to risk it. As his policies failed, however, the difficulty of straddling domestic-political and EMS commitments grew. The longer he defended the franc in the EMS, the more exit entailed a jump from heights he had never meant to climb. Thus the decision to change

138. Cameron, "Exchange."
139. Hubert Védrine, *Les mondes de François Mitterrand* (Paris, 1996), 285.

policies was posed earlier and more sharply than it would have been without the EMS. Instead of slowly reining in his Keynesian excesses, he had to leap in one direction or the other. The EMS did not fully determine French choices; many of Mitterrand's associates still preferred exit in March 1983. But it created the need for this choice at this time.

What was the overall variation in European outcomes caused by the institutionalization of French ideas at this stage? Giscard's choice of the EMS over the status quo had dramatic implications for Europe in the 1980s. All scholars agree that the 1983 U-turn was the major precondition to the passage of the Single Market project. Had Mitterrand faced no EMS, his initial plans would have faced a more open short-term environment. Whether this flexibility had helped or hurt those plans, the next steps in integration would at least have been long deferred. If it had helped, Mitterrand would have followed electoral incentives and stayed the course for at least a few more years. Monetary cooperation (not union!) or a Single Market plan could have surfaced only in the late 1980s at the earliest. If it had hurt—the expectation of scholars who emphasize structural constraints—the historical shift would have been greater. Without a commitment to align on German policies, Mitterrand would have shifted to austerity within *l'autre politique,* using capital and import controls to bolster a domestic retrenchment. This route would likely have failed economically, and so eventually politically as well, but not before it had changed the course of history. At the end of the 1980s, Europe would have been working back to the EEC status quo.

SIX

Relaunching the Community

> It is not a question of forgetting each actor's legitimate interests, but of transcending them in the refound dynamism of the construction of Europe.
>
> FRANÇOIS MITTERRAND,
> speech before the German Bundestag, 1983

The push to the first major revision of the Treaties of Rome began only a year after Mitterrand's U-turn in March 1983. Institutional reform reached the EEC agenda along with a deregulatory plan to deepen the Common Market into a Single Market. By early 1986 the member states had agreed on important institutional changes and set a 1992 deadline for hundreds of new directives. The Single European Act effectively revoked the Luxembourg Compromise, expanding majority voting in the Council of Ministers beyond that foreseen in the treaty. The new approach of "mutual recognition" of national standards partly replaced cumbersome earlier attempts to construct common European standards. The European Parliament (EP) obtained new powers. The European Council and foreign policy mechanisms were formalized.

This chapter approaches the SEA with the same questions chapter 5 asked about the EMS. What were the options French elites perceived in European institution building in the mid-1980s? What pattern of political mobilization explains the selection and ratification of one particular strategy? What were the effects of this institutional deal on later French strategizing? What, overall, were the historical consequences for French strategies and European outcomes?

The literature's main refrain is familiar. For structuralists like Moravcsik or Geoffrey Garrett, increased intra-European trade and the threat of heightened Asian and American competition led French and other European leaders to the SEA.[1] The French also still hoped for more supportive monetary collaboration and industrial collaboration, but the other states' lack of interest in these areas made the Single Market plan the only viable deal. Institutional reforms, especially majority voting and mutual recognition, were endorsed to make

1. Andrew Moravcsik, "Negotiating the Single European Act," *International Organization* 45:1 (1996), 19–56; Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998), 314–78; Geoffrey Garrett, "International Cooperation and Institutional Choice: The European Community's Internal Market," *International Organization* 46:2 (1992), 533–60.

deregulation work. Institutional changes themselves had no real effects on subsequent choice, however. The same interests that led to the SEA continued to push French leaders to implement it after 1986.

SEA scholarship also features a new kind of argument, related to neofunctionalist analyses of the EEC's early development. It contests Moravcsik's view of the SEA as "conventional statecraft," arguing that the supranational agents of the Commission played a crucial role in its genesis. Led by its energetic new president, Jacques Delors, the Commission convinced states to pursue a new bargain and designed the package deal they endorsed.[2] This sums to an "institutionalist" view of integration. Earlier steps in institution building made the Commission a potentially powerful deal maker within the EEC. As neofunctionalists predicted in the early 1960s, delegating some power to supranational agents later led governments in new directions. Many of these scholars also suggest that continuing Commission leadership was necessary to the implementation of the SEA after 1986. The institutional legacy of the community model ultimately selected between different French strategies and European outcomes.

I make a third argument. If both approaches capture important parts of the SEA's context, neither sheds direct light on the pattern of mobilization behind the SEA, in France or internationally. Very few actors followed interests in deregulation to calls for EEC reform. In fact, the strongest European and French champions of deregulation—the British and the Gaullists, respectively—were the strongest *critics* of EEC reform. In France, practically everyone viewed the Single Market plan with indifference, and many politicians and most bureaucrats opposed the institutional reforms that accompanied it. These observations also weaken the arguments for Commission leadership. Most French elites were not convinced to pursue an SEA-like package in 1985–86, whether by structural imperatives or Commission persuasion.

Instead, only some French elites connected their interests to the SEA project, and they did so because they interpreted economic pressures and Commission lobbying through a master frame of pro-community ideas. This was reflected in the pattern of support and in the content of French demands in the SEA talks. President Mitterrand's push to the SEA (which became his top priority after the U-turn revised his economic views) attracted as much support from his UDF enemies as from his own coalition. Business groups were vaguely supportive, but not enough to vote for the Socialists in mid-1980s elections. Substantively, Mitterrand did not pursue the SEA to advance liberalization. He wanted institutional reform to foster European industrial and monetary cooperation, and only reluctantly accepted the very different Single Market plan in order to achieve institutional change. Here Commission leadership was im-

2. Wayne Sandholtz and John Zysman, "1992: Recasting the European Bargain," *World Politics* 42 (1989), 95–128; Neil Fligstein and Iona Mara-Drita, "How to Make a Market: Reflections on the Attempt to Create a Single Market in the European Union," *American Journal of Sociology* 102:1 (1996), 1–33; George Ross, *Jacques Delors and European Integration* (New York, 1995).

portant, packaging a deregulatory and institutional initiative that Mitterrand could accept. But if the Commission deserves some credit for the content of the *relance*, Mitterrand's leadership and willingness to compromise (decided before and independently of Commission action) deserve the credit for the emergence of any *relance* at all. Once again, the impulse to French pursuit of institution building came from a pro-community leader who stood out from his coalitional support.

What immediate effect did this impulse have? Just as the EEC and EMS deals were quickly tested by new leaders with opposing agendas, so the SEA's Gaullist opponents took power one month after it was signed. As before, leaders who would not have struck the deal soon accepted it. Under domestic and international pressure, Premier Jacques Chirac dropped plans to block SEA ratification. Despite initially bitter debates inside his government, by 1987–88 even its dominant Gaullist wing defended the SEA as "in French interests." The growing French consensus on Europe had been extended to include not just an expanded European role in direct economic management but the supranational notion of majority voting as well.

In terms of European outcomes, as with the EMS, the main alternative to the SEA was the status quo. Traditional and confederal thinkers (now almost indistinguishable) had no positive plans for developing Europe in other directions. But the "1992" program is so broadly recognized as a watershed in European political economy that the divergence between its legacy and a status-quo Europe is easy to defend. Without the SEA's institutional changes in 1986, European deregulation (or reregulation) would have progressed little in the 1980s and early 1990s. Capital liberalization in particular—a major precursor to subsequent steps in monetary integration—would not have developed without majority voting. The battle to deeply liberalize and unify the most important sectors of European economies, from telecommunications to electricity, would have been engaged much more slowly and much less completely. Europe would have remained a glorified free trade area, with further substantive development and supranational elements hedged in by the Luxembourg Compromise.

THE BASIC STORY AND EXISTING ACCOUNTS

From 1981 through 1983, the French government deemphasized Europe, focusing on domestic issues. The Socialists had struck an explicit internal deal reaffirming their European compromise of the early 1970s: the only European changes to be pursued were the addition of socialist policies at the European level.[3] Thus Mitterrand's early EEC proposals suggested a coordinated fiscal expansion, EEC loans to encourage industrial growth, and EEC social policies.

3. Elizabeth Haywood, "The French Socialists and European Institutional Reform," *Journal of European Integration* 12:2–3 (1989), 121–49.

Institutional reform was explicitly ruled out.[4] The French reacted with indifference to a 1981 German-Italian proposal on foreign policy cooperation, early discussions of new EEC deregulation in 1982, and the Treaty on European Union drafted by the European Parliament.[5] The other governments found Mitterrand's ideas unappealing as well.

A deeply blocked EEC agenda also discouraged new initiatives. The most immediate problems linked a British "rebate" and CAP spending. The British objected to their large net EEC contribution, caused by agricultural imports in the CAP.[6] They had insisted since the mid-1970s on CAP reform to limit EEC spending and free up money to reimburse them. With Margaret Thatcher's arrival in power in 1979, they took to blocking annual votes on CAP prices until a temporary rebate was granted.[7] Besides this headache, Mitterrand faced a fight over the EEC applications of Spain and Portugal. French farmers opposed enlargement for fear of competition.[8] Giscard and Mitterrand officially endorsed enlargement for political reasons: it would consolidate Iberian democracy and make France the pivotal EEC member between northern and southern Europeans. But French farmers' demands bogged the talks down into 1983. Between Britain and its own farmers, the French government had little reason to entertain grand European strategies.

After the 1983 U-turn, however, French strategies changed rapidly. French economic policies and performance began to converge on those of their partners. During the French EEC presidency in spring 1984, Mitterrand surprised everyone by calling for supranational-style EEC reforms, even endorsing (if somewhat ambiguously) the EP's utopian Draft Treaty on European Union. The French presidency also brought deals on enlargement, the CAP, the British rebate, and a new EEC research and development program, ESPRIT. The pace accelerated in late 1984. At home, the French began major financial liberalization, decreasing capital controls, freeing credit, and developing the stock market and new financial instruments. In Brussels, the Commission produced a proposal for a Single Market 1992 project of three hundred new directives, which Mitterrand approved. He called for institutional reforms to adopt these directives (and other policies) by majority voting. Over British objections, he joined the Italians, Benelux, and Germans to call for formal negotiations for treaty revisions in fall 1985.

The negotiations focused on five themes. All participants accepted the ba-

4. Ibid., 123; Philippe Moreau-Defarges, "'J'ai fait un rêve': Le président François Mitterrand, artisan de l'union européenne," *Politique étrangère* 50:2 (1985), 359–75.

5. Gianni Bonvicini, "The Genscher-Colombo Plan and the 'Solemn Declaration on European Union,'" in *The Dynamics of European Union*, ed. Roy Pryce (London, 1987), 174–87.

6. In 1980, without a rebate, the British would have paid 20 percent of the EEC budget but received 10 percent of its spending. Jean de Ruyt, *L'Acte unique européen* (Brussels, 1987), 26.

7. At the European Council of May 1980, Britain won a two-year rebate and minor adjustments to CAP spending.

8. Emmanuel Maffre-Baugé, *Face à l'Europe des impasses* (Paris, 1979); Christopher Preston, *Enlargement and Integration in the European Union* (New York, 1997), 75.

sic "1992" plan, with various caveats. The French pushed for the same kind of supportive monetary coordination they had sought under Pompidou and Giscard, but without success. A French bid for clauses promoting European industrial cooperation also ran into German and British hostility. The same Anglo-German front blocked French proposals for European social policies. It was agreed to bring foreign policy consultations formally, if loosely, into the EEC framework. Institutional reform to expand majority voting, allow for mutual recognition, and extend EP powers faced British and Danish opposition, but the other states eventually forced their agreement by threatening to proceed without them.

The Single European Act was signed in February 1986. Henceforth, EEC would be shortened to EC, symbolizing that the European Community was no longer just Economic. Mitterrand complained that "[s]ome countries, including France, wanted more and will continue to demand it," but the act still marked by far the largest changes in the community to date.[9] It surmounted the EEC's short-term blockage and the longstanding limit of the Luxembourg Compromise and gave the EC a major new agenda. The community had been relaunched.

Structuralist and Institutionalist Explanations

The structuralist explanation of France's European choices in the mid-1980s, and of the European outcome of the SEA, departs from a series of figures about rising economic interdependence. International trade rose from 14.5 percent of French GDP in 1960 to 23.9 percent in 1985.[10] Intra-EEC trade accounted for an increasing part of French exports, growing from 30 percent to 47.6 percent in the same period.[11] Beginning in the 1970s, financial ties expanded even more quickly. International banking markets increased at almost twice the rate of trade growth (21.4 percent annually, versus 12.7 percent for trade) from 1972 to 1985. Capital flows in exchange markets grew exponentially, from a few billion dollars per day in the early 1970s to $100 billion in the late 1970s, and $650 billion by the late 1980s.[12] Not only did this give Europeans incentives to cooperate, runs the argument, it left them little choice. Cross-border trade limited fiscal autonomy because domestic expansion swelled imports, particularly if neighbors were practicing fiscal austerity. The availability of international finance to domestic firms undercut monetary autonomy, as national finance systems were essentially forced to compete to lend.

9. Cited in Richard Corbett, "The 1985 Intergovernmental Conference and the Single European Act," in Pryce, *Dynamics*, 238–72.

10. OECD, *National Accounts*, vol. 1: *Main Aggregates, 1960–88* (Paris, 1990), 126.

11. For the EC as a whole, intra-EC trade grew from 34.5 percent of total exports to 52.1 percent from 1960 to 1985. Augusto de la Torre and Margaret Kelley, *Regional Trade Arrangements*, IMF Occasional Paper No. 93 (Washington, D.C., 1992), 20; André Sapir, "Regional Integration in Europe," *Economic Journal* 102 (1992), 1491–1506.

12. John Goodman and Louis Pauly, "The Obsolescence of Capital Controls? Economic Management in an Age of Global Markets," *World Politics* 46 (1993), 50–82.

A pervasive sense of economic failure also encouraged Europeans to turn to cooperation in the early 1980s. The global recession after 1979 doubled European unemployment rates in five years. This contrasted sharply to an American economy that soon returned to creating jobs, and a Japanese one that never lost jobs to begin with. Simultaneously Europe's global market share shrank in innovative sectors like electronics and information technologies and in basic industries like automobiles.[13] Most Europeans feared that their inability to create jobs or keep up in high technologies condemned them to steady decline into "Eurosclerosis."

For Moravcsik and others, these structural changes led to liberalization, which led to institutional changes in the EEC. Britain's deregulatory turn under Thatcher, German abolition of capital controls in the early 1980s, and the French U-turn reflected a "pan-European trend" to freer markets. Since France was the last major country to effect the shift, its U-turn made European bargains possible. The key intermediate step was the 1984 French program of financial liberalization. After the U-turn, the Socialists began to worry that French firms were disadvantaged by capital controls and other limits on domestic finance. In liberalizing domestically, they simultaneously signed on to the Single Market plan to bolster this agenda. They pushed EEC institutional change—majority voting, mutual recognition—to facilitate it: "Backed by business leaders, the French government committed to international liberalization, for which Europe served as a technocratic means and as a source of political legitimation."[14] The specific SEA deal reflected international bargains: France, Germany, and Britain all approved of the Single Market plan, a Franco-German alliance imposed institutional change on Britain, and an Anglo-German alliance blocked French proposals in monetary and social affairs.

Institutionalists accept pan-European liberalization as the background to the SEA but argue that structuralists overlook the Commission's role in guiding liberalization into a European framework. They claim that governments did not spontaneously strike the Single Market deal. Instead, the Commission took advantage of the broad national convergence to sell further European integration as the best way to liberalize. In 1983 and 1984, the Commission assembled a wide array of directives—some long blocked by certain governments—into a new package deal that appealed to everyone. The plan was presented unobjectionably as *completing* the Single Market, though it went far beyond earlier European ambitions. Behind the slogan of "Europe 1992" (the proposed deadline), Delors created an "élite social movement" of politicians, bureaucrats, and businessmen. Their interests were subtly redefined by Commission persuasion, recasting the European bargain in a plan that governments alone were unlikely to produce.

13. Pierre Buigues and Philippe Goybet, "The Community's Industrial Competitiveness and International Trade in Manufactured Products," in *The European Internal Market: Trade and Competition,* ed. Alexis Jacquemin and André Sapir (New York, 1989), 227–47.

14. Moravcsik, *Choice,* 332.

Problems with the Literature

Structuralist observations of the interdependence trend are the necessary foundation of any account of the SEA. Policy failure and growing international competition provided its underlying drive. But this drive was to liberalization, not necessarily to European institution building. Even without an examination of the internal pattern of French mobilization, the disconnect between the two is clear. On the one side, the main champions of deregulation opposed or ignored institutional reform. The British were the most consistent advocates of Europe-wide deregulation but led the opposition to revising the treaty or even questioning the Luxembourg Compromise. They preferred simply to endorse the Single Market plan, leaving governments free to accept or reject liberalization in the system of unanimity. Only when the French and Germans threatened to open negotiations without them did the British agree to discuss treaty revisions. Similarly, the European business groups who eventually encouraged the Single Market plan (of which more below) gave attention only little and late to institutional questions.

On the other side, the champions of institutional reform were either reluctant or indifferent vis-à-vis the Single Market. The French and Italian governments led the institutional charge but preferred a European industrial policy and tighter monetary coordination as substantive responses to the economic crisis. In the middle, the Germans and Dutch supported both the deregulatory program and institutional reform, but the former did not lead to the latter. Both had called for ending the Luxembourg Compromise and increasing EP power throughout the 1970s. It was their support for deregulation that was new—and in the German case, this was hesitant. Overall, the notion that deregulation "required" institutional reforms appeared in Commission plans only late in the process.[15] The real link was a deal between liberalizers who did not want institutional reform and reformers who were fairly indifferent to liberalization.

The timing of the French shift on Europe confirms that the shift was unconnected to economic causes. The economic U-turn was certainly a prerequisite to turn Mitterrand's priorities away from the domestic agenda, but he did not draw its economic lessons and then consider European ways to implement them. Instead, Mitterrand decided to pursue a major European initiative in late 1983, without yet having chosen a substantive focus for that push.[16] At this point his government was still hesitating between its electoral incentives and a broad shift to liberalization (a different thing from the austerity he endorsed with the U-turn), and had not yet opted for financial deregulation. In early 1984, *before* shifting toward deregulation, Mitterrand deblocked the EEC agenda

15. Renaud Dehousse and Giandomenico Majone, "The Institutional Dynamics of European Integration: From the Single Act to the Maastricht Treaty," in *The Construction of Europe*, ed. Stephen Martin (Dordrecht, 1994), 91–112.

16. Moravcsik, "Negotiating," 31.

with new French concessions and launched serious discussions of EEC institutional reform.

Objective economic accounts of the SEA thus encounter the same problem they met in the EMS. In a broad and vague way, they provide the background of European convergence around liberalization. They are very weak, however, in connecting this convergence to European institution building. They capture important limits on the SEA's substantive policy deals: German and British economic preferences, for example, clearly blocked French plans for new cooperation in monetary or industrial policies. But beyond this insight of a few things that *could not* take place, they offer no compelling account of why this European outcome did.

This criticism partly echoes that of institutionalists and supports their alternative account in a general sense. The Single Market plan, and especially its institutional accompaniments, were not the straightforward response to structural evolutions. It was the Commission who put the Single Market on the table. But supranationally focused arguments also suffer from empirical problems. Their main weakness is a failure to demonstrate to what extent the Commission actually affected the strategies of national actors. They trace the development of the Single Market project in the Commission after 1981 and the Commission efforts to mobilize national support. Governments are shown to agree gradually on the Commission plan. But no institutionalist account looks inside governments systematically to see who exactly endorsed this deal or how it differed from prior internal thinking. We are left with the strong suggestion that governments were not tending in this specific direction, but without clear evidence. To provide such evidence, institutionalists would have to focus less on the Commission being persuasive and more on the governments being persuaded.

If institutionalists did look inside the French government, they would find a pattern that preserves but lessens the impact of their argument. Some French decision makers did not need much persuading to pursue EEC reform. Others were never persuaded that EEC reform was of any interest. The Commission was important as an ally and think tank for pro-community national actors and was influential in packaging the Single Market plan. The more important causal fact, however, is that certain national decision makers—unlike many of their compatriots—were predisposed to listen to Commission suggestions and had the last word in national capitals. Without Commission input, these national leaders would have arrived at a different European initiative, but with at least some liberalizing content. Without these national leaders, the Commission would not have sold any major initiative at all.

RELAUNCHING THE COMMUNITY

This section argues that the pattern of French mobilization on European issues in the mid-1980s continued that of previous decades, though it covered a slim-

mer spectrum of options. French debates had been substantially narrowed first by the general acceptance of the EEC, and then by the EMS-assisted alignment on neoliberal economic policies. Within a growing consensus that France's future lay in a neoliberal Europe, however, political actors still divided over what role the Community institutions would play in that future. Domestic pressures still sent politicians mixed signals; the electoral resonance of European plans remained negligible.

Traditional and confederal views on right and left had largely collapsed into a single, antisupranationality position. Occasional differences were still visible—some Socialists, for example, still hoped to balance the Gaullists' Franco-German axis with ties to Britain—but they shared the same main concerns: fighting off CAP cuts, a British rebate, an Iberian enlargement, and challenges to the Luxembourg Compromise. Positively, they espoused the European goals set by Pompidou. Tighter European collaboration in monetary affairs, foreign policy and defense, and industrial or R&D policies was desirable, but not if it expanded majority voting or the supranational Commission or Parliament. In any case—and whatever the left or right leanings of these thinkers—such steps were very secondary to national-level priorities.

Pro-community politicians on right and left continued to see stronger European institutions as crucial to French national strategies. For pro-community liberals on the right and moderate left, European rules could lock in and accelerate liberalization. For the larger number of less liberal pro-community thinkers, common European policies in high-tech industries could restore French and European competitiveness. In either case, some concessions on the CAP, British rebate, and enlargement were worthwhile to relaunch Europe. Institutionally, burying the Luxembourg Compromise was important to any real progress. Some increase in EP powers was desirable to legitimize the European institutions.

Origins: Mitterrand Turns to Europe

In the wake of his economic U-turn, Mitterrand reformed his overall political strategy. According to his advisors and allies,[17] his decision to rebuild his agenda around the EEC reflected his own well-established preferences for a community Europe, not their advice or clear electoral or interest group pressures. An early member of various Euro-federalist groups, Mitterrand had finally obtained power thanks to an electoral strategy and economic platform that led him to mute his European views.[18] He believed until 1983, however, that this platform was at least compatible with European integration.[19] With its

17. This section and the following are based on interviews with Mitterrand's European policy advisors (Jacques Attali, Hubert Védrine, Élisabeth Guigou, and others), several ministers, their Cabinet members, and diplomats, Paris, April–May 1997.

18. Elizabeth Haywood, "The European Policy of François Mitterrand," *Journal of Common Market Studies* 31:2 (1993), 269–82.

19. Socialist economists insisted state spending and nationalizations would restructure in-

failure, he drew two conclusions that echoed the logic of the community model. The Socialists' national goals were interdependent with France's neighbors; to the extent they could be salvaged, industrial and social policies had to be pursued at the European level. To the extent that his national goals were not realizable, strong European institutions were the safest way to prevent economic domination by Germany and support French political leadership. Thus in late 1983 he decided to use the 1984 French EEC presidency to deblock the European agenda and push for a new EEC initiative.

While Mitterrand could expect this push to attract some support on left and right, few coalitional, interest group, or electoral signals directly encouraged it. If the U-turn shifted power away from his government's traditionalist left-wingers (Chevènement, the Communists), few of the moderates were interested in Europe. Premier Mauroy, Foreign Minister Claude Cheysson, PS First Secretary Lionel Jospin, and Budget Minister Fabius all accepted vague European rhetoric but put little priority on integration and saw the Franco-German axis as a right-wing creation. Their advice in 1981–83 was confederalist: to rebalance the EEC by developing new ties with London—despite the huge ideological divide with Thatcher—and downgrading those with Bonn.[20] Other Socialists close to Mitterrand, like Pierre Joxe and Claude Estier, favored a traditional "Europe of the States." The most pro-community figure in the government, Finance Minister Delors, had particularly bad relations with the president. Though the U-turn extended Delors's control over economic policy, Mitterrand balanced this by also promoting Bérégovoy and Fabius (who hated Delors). In July 1984, Fabius became prime minister. In late 1984 Mitterrand nominated Delors as Commission president partly to get him out of Paris.

French business views on Europe through 1984 were mostly negative, asking that Europe "protect . . . without becoming protectionist" to block Japanese and American challenges.[21] Yvon Gattaz, CNPF head since 1981, was closer to protectionist small business than his predecessors. In positive terms, big business echoed Socialists' calls for European investment projects in high technology or transport infrastructure.[22] When the first major pro-EEC business lobby (the European Roundtable of Industrialists, ERT) formed in 1983, several major French firms joined because they saw the group as committed to interventionism, not Thatcherian deregulation.[23] French business in 1983–84 had no

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dustry, restart investment, and restore competitiveness. EEC members would eventually rally around French leadership of a renewed high-tech Europe.

20. Interviews, three of Mitterrand's advisors, two ministers in the 1983 government, senior diplomats, a director of Cheysson's Cabinet; Hubert Védrine, *Les mondes de François Mitterrand* (Paris, 1996), 120.

21. *CNPF Patronat*, February 1978, cited in Volkmar Lauber, *The Political Economy of France: From Pompidou to Mitterrand* (New York, 1983), 141.

22. See the CNPF's "Four Proposals to Relaunch Europe," *Le Figaro*, March 19, 1984.

23. Maria Green Cowles, "The Politics of Big Business in the European Community," Ph.D. diss., American University, 1994, 231.

notable interest in the nascent talk of Internal Market deregulation and made no mention of EEC reform.[24] French agriculture, meanwhile, was wholly focused on slowing the Iberian enlargement and defending the CAP budget.

There is little evidence of electoral incentives for European projects in 1983–84. Voters exhibited a permissive consensus for ill-defined European "union," but this had no relation to voting. PS support was low and declining before and after Mitterrand's new European stance.[25] Furthermore, European initiatives promised to split the left as much as the right. In the run-up to the EP elections of June 1984, party head Lionel Jospin maintained the internal compromise on Europe. The platform still officially opposed EEC institutional change, and in February 1984 PS members abstained from the EP vote on the Draft Treaty on European Union to preserve their unity. When Mitterrand declared his support for the draft treaty a few months later, the Socialist campaign was severely embarrassed.[26] Nor did this high-profile Europeanism pay off in the June vote: the right won its largest victory under the Fifth Republic (57.6 percent, to the left's 35.7 percent). The PS electorate abstained in particularly high numbers, and 19 percent of Mitterrand's 1981 voters supported the right.[27] If Mitterrand's shift was electorally motivated, notes one account, it displayed a "maladroitness" atypical of his political career.[28]

The lack of domestic demands for Mitterrand's European turn is clearest in the failure of his allies and advisors to note them; literally none suggested a new focus on Europe in late 1983.[29] Official statements in mid- to late 1983 gave no hint of change. Mauroy defended the Luxembourg Compromise in June 1983, and in November Minister of European Affairs André Chandernagor ridiculed the idea of major institutional reform as "constructing Europe from the roof down." A criticism of Mitterrand's policies by a French diplomat summarizes, "Thus on the eve of the French presidency [of the EEC in 1984], the doctrine was well fixed: no new treaty, no questioning of the Luxembourg Compromise, no runaway institutional reform [*fuite en avant institutionelle*]."[30] Mitterrand's perception of a need and opportunity for major European steps was his own, with foreseeable support only from pro-community figures on left and right.

24. Interviews with CNPF officials and diplomats, Paris, May 1997.

25. In early 1984, the PS list for the EP polled around 25 percent; by June 1984, it had fallen to 20 percent. Oliver Duhamel and Jean-Luc Parodi, "Les sondages et la campagne européenne de 1984 en France," *Pouvoirs* 30 (1984), 149–55.

26. PS campaign literature opposing reform had already been distributed. A shocked Jospin downplayed Mitterrand's support for the draft treaty. Haywood, "French,"133.

27. Thomas Christofferson, *The French Socialists in Power, 1981–1986* (Newark, 1991), 146.

28. Haywood, "French,"134; Anne Stevens, "France," in *Direct Elections to the European Parliament 1984*, ed. Juliet Lodge (London, 1986), 92–116.

29. Védrine, *Mondes*, 295, and interviews.

30. Gabriel Robin, *La diplomatie de Mitterrand, ou le triomphe des apparences, 1981–1985* (Paris, 1985), 219.

Building the New Strategy

Mitterrand's European rhetoric escalated steadily in 1983 and became action in early 1984.[31] The EEC impasse deepened through 1983. The nadir came at the failed European Council in Athens in December 1983. Commission president Gaston Thorn proclaimed "the worst EEC crisis since 1966" and declared that the Commission might resign. On his return to Paris, Mitterrand announced to his aides that he had decided to "pull Europe out of the mud."[32] He appointed his close friend Roland Dumas as minister of European affairs and began the French EEC presidency with visits to all the EEC capitals in six weeks. He would maintain this pace over the six-month presidency, holding thirty bilateral meetings with EEC leaders.

The main subjects of these meetings were the British rebate, the CAP, and enlargement. Deals were struck on all three by the end of the French presidency, "in each case largely owing to an unexpected French willingness to compromise."[33] On the rebate, Mitterrand gradually raised his initial offer of 600 million ECU for one year, until Thatcher won a *permanent* rebate of 1 billion ECU in June 1984.[34] (The Germans also got the French to cover part of *their* share of the rebate.) On the CAP, an initial deal emerged in March, when the French accepted general subsidy limits and specific quotas for milk. In return, the British later agreed to keep the CAP afloat by raising the EEC's VAT from 1.0 percent to 1.4 percent of GDP.[35] On enlargement, Mitterrand ended French stalling, calling for accession "without delay" in February 1984. An initial deal was soon struck on agricultural questions, and the French accepted a January 1986 deadline for accession.[36] After the European Council in Fontainebleau that closed the French presidency, Mitterrand trumpeted, "There is no longer a single conflict to resolve in the Community."[37]

At the same time, Mitterrand pushed for a new agenda. With EEC leaders

31. Half of Mitterrand's Bundestag speech in January 1983—which he wrote himself—called for an EEC *relance*. He also hinted at compromises early on, suggesting agricultural concessions in March 1983 and instructing French negotiators in fall 1983 to accept limits on CAP spending for the first time. Moreau-Defarges, "J'ai," 367; Védrine, *Mondes*, 235; Pierre Favier and Michel Martin-Roland, *La décennie Mitterrand*, 3 vols. (Paris, 1990–96), 1:368.

32. Favier and Martin-Roland, *Décennie*, 1:198.

33. Moravcsik, "Negotiating," 28.

34. The new French payment turned France from a small net EEC beneficiary into a significant net contributor. Moreau-Defarges, "J'ai," 367.

35. Thus permitting an expansion in the EEC budget and covering rising CAP spending. The Germans and Dutch also promised to phase out MCAs (since they had never respected a fuzzy pledge to do so in the EMS deal), but German farmers were granted a compensatory exemption from 5 percent of VAT that partly replaced this effective subsidy. Even a German account presents German advantages in the 1984 deal as "disproportionate." Gisela Hendriks, *Germany and European Integration: The Common Agricultural Policy* (New York, 1991), 68.

36. In agriculture, the French did benefit from an agreement in principle to create Integrated Mediterranean Programs to pay off Greek, Italian, and French farmers to accept inclusion of Spain and Portugal. This resulted from Greek demands, however, not French ones, and almost all this money eventually went to the Greeks. Preston, *Enlargement*, 79–84.

37. Moreau-Defarges, "J'ai," 359.

he continually raised the issue of institutional reform. One advisor called it his "new political utopia."[38] This culminated in his endorsement of the EP's draft treaty in May. The treaty was a very supranational "constitution" drawn up under the leadership of Euro-federalist Altiero Spinelli. Besides a few earlier, vaguely positive remarks by Mitterrand and other pro-community politicians, the French had ignored it.[39] The PS leadership and ministers were shocked to hear Mitterrand proclaim before the EP that France was "ready to examine and defend your project, of which, in its inspiration, it approves."[40] Though not about to fulfill Spinelli's hope of submitting the treaty directly for parliamentary ratification, Mitterrand proposed to create a Spaak Committee II on institutional reform and treaty revisions. This was snuck into the Fontainebleau accord in the last moments of the council.[41]

All accounts see Mitterrand's leadership and concessions as crucial to the success of the Fontainebleau deal. Few note, however, that other French actors were very hostile to this push.[42] Many officials were appalled at the substantive policy concessions. In the Foreign and Finance Ministries, there was the "general impression" that Mitterrand had ceded far too much on the British rebate.[43] Economic Affairs diplomats privately denounced the concessions on the CAP and enlargement as well. The attacks were loudest in the Agriculture Ministry. Its bureaucrats divided between what one high official called "traditionalists" and "loyalists" (to the political leadership). The head of the Service des relations internationales found the Fontainebleau deal "monstrous" and said that it "would be the end of French agriculture"; he and two subordinates resigned. The diplomat who led the French team fleshing out the enlargement deal "did all he could to torpedo it at a technical level."[44] A bitter account by a former Quai political director ironized that French interests in Europe had suddenly been abandoned: "That which was judged excessive and unacceptable one year before was henceforth judged reasonable."[45]

The same concerns were echoed outside the bureaucracy, notably among farmers. In March 1984 the head of the FNSEA, François Guillaume, attacked the initial CAP deal as demanding "too many sacrifices from the farmers alone."[46] Agriculture Minister Rocard warned after Fontainebleau that "we are risking an explosion, a *jacquerie,* in rural France." In the following week, demonstrations were held in the southwestern regions most threatened by Iberian

38. Jacques Attali, *Verbatim* (Paris, 1993), entry February 21, 1984.
39. Haywood, "French," 132.
40. *EC Bulletin* no. 5 (1984), 138.
41. Roy Pryce, "Relaunching the European Community," *Government and Opposition* 19:4 (1984), 486–500.
42. A partial exception is Haywood, "French."
43. Interviews, several Foreign Ministry directors, a Finance Ministry director, an assistant SGCI director, Paris, April–May 1997.
44. Interview, senior diplomat, Paris, May 12, 1997.
45. Robin, *Diplomatie,* 157.
46. *Le Figaro,* March 19, 1984.

competition. But Mitterrand explicitly rejected softening the deal with a national payoff to farmers.[47] RPR leaders, though partly restrained by their difficult alliance in the EP elections with pro-community forces in the UDF (see below), could not resist joining the criticisms. Party secretary Bernard Pons denounced the CAP concessions in March as "scandalous."[48]

Mitterrand's institutional proposals diverged even further from the views of many in Paris. He appointed Maurice Faure, the ultra-Europeanist negotiator of the EEC treaty, as his representative to the Spaak Committee II. Faure informally dominated the meetings.[49] To the horror of the British, who had expected the French to help *block* institutional reform, Faure soon endorsed the "maximalist" position supported by the other members of the original Six. He called for a clear shift to majority voting and expanded EP powers. He also proposed and won majority voting within the committee itself, leaving the British, Danish, and Greek minority to register objections in footnotes. When this Dooge Report (named for its Irish chair) returned to the Quai, French diplomats did not recognize the "French" position. As one diplomat told me, "the fundamental act of the Quai d'Orsay's European policy in 1984 was the Luxembourg Compromise." A high-level committee echoed British views, recommending against treaty revisions.[50] But Mitterrand approved Faure's report over their objections; "The President was well ahead of the French bureaucracy in his willingness to intensify European integration."[51]

Again, the same reservations were expressed outside the bureaucracy. In early 1984, the RPR entered into an electoral alliance with the UDF, the price of which was a moderation of Gaullist attacks on European policies. Furthermore, the early 1980s had seen a marked (if often erratic) conversion of RPR leaders to Reaganesque deregulation. By 1984, freer markets were their main electoral message. Yet they saw no link between this agenda and EEC institutions. Chirac and other RPR leaders maintained their hostility to any EEC reform, especially of the Luxembourg Compromise.[52] The UDF, though led by pro-community figures like Giscard and Simone Veil, had its critics of institutional reform as well.[53] A small number of traditionalists were harshly opposed to EEC change, and a larger number of UDF members were simply uninter-

47. Favier and Martin-Roland, *Décennie,* 2:207.

48. *Le Monde,* March 3, 1984.

49. De Ruyt, *L'Acte,* 51; Katherine Meenan, "The Work of the Dooge Committee," *Administration* 33:4 (1985), 580–89; Patrick Keating and Anna Murphy, "The European Council's Ad Hoc Committee on Institutional Affairs," in Pryce, *Dynamics,* 217–37.

50. Interviews, several members of this *comité de pilotage* and Maurice Faure, Paris, March 1998.

51. Haywood, "French," 138.

52. *L'Express,* April 20, 1984; *Le Figaro,* June 6, 1984; Jacques Chirac, *Oui à l'Europe* (Paris, 1984), 25–42; James Shields, "The French Gaullists," in *Political Parties and the European Union,* ed. John Gaffney (New York, 1996), 86–109; François Saint-Ouen, "Les partis politiques français et l'Europe: système politique et fonctionnement du discours," *Revue française de science politique* 36:2 (1986), 66–88.

53. Veil was the architect of the RPR-UDF alliance but made clear in the campaign that she shared Mitterrand's institutional views more than the Gaullists'.

ested, like Alain Madelin or Charles Millon.[54] In 1985, through the SEA negotiations and in the lead-up to 1986 legislative elections, the UDF and RPR (with open support from the CNPF) would share a platform calling for national-level deregulation but ruling out EEC institutional reform.[55] On the left, the Communists and left-wing Socialists avoided EEC issues to preserve the left's common platform but still quietly underlined their hostility to institutional change.

As in French debates over the ECSC, EEC, or the EMS, Mitterrand's differences with his compatriots were over compromises and institutions, not the substantive areas of French interests. On these he agreed with his bureaucrats, and even the opposition. He continued to push longstanding French hopes for industrial and high-tech projects, monetary coordination, social policies, and foreign affairs and defense cooperation—the same areas privileged by the CNPF and the RPR in 1984–85.[56] In September 1983, he had endorsed a memo on a "common European space of industry and research" drawn up by Fabius's officials.[57] In February 1984, he secured passage of an R&D proposal from European telecom firms and the Commission (ESPRIT). Also in February, Mitterrand floated the idea of a European Space Community to respond to Reagan's Strategic Defense Initiative—an idea popular with French diplomats and the Gaullists (but not with anyone outside France). In early 1985, he would adopt a proposal by French officials for a new European technology agency to fund private research across Europe (EUREKA).

Mitterrand also shared widespread French indifference to talk of a Single Market. When the Commission proposed new council meetings on Internal Market issues in 1982, the French underscored their apathy by sending the junior minister for consumption, Catherine Lalumière.[58] The Internal Market was not seen as particularly threatening—just uninteresting. This attitude persisted after the U-turn. Even Delors, the most liberal figure in Mitterrand's government, saw a Single Market program as one of the less attractive potential

54. Alain Joannes, "L'Acte unique dans le discours politique français: les compartiments d'un consensus," *Revue politique et parlementaire* 933 (1988), 32–36; Saint-Ouen, "Partis"; Stevens, "France."

55. See the 1985 document from the RPR-tied "Club 89"—but with prominent UDF endorsement—calling for formalization of the Luxembourg Compromise. Club 89, *Une stratégie de gouvernement* (Paris, 1985), 173. European-level business associations, too, were lukewarm on major European liberalization and focused on high-tech and infrastructure projects (with the apparently lone exception of Wisse Dekker of the Dutch firm Philips, who did champion the "1992" plan early on). The European Roundtable of Industrialists (ERT) followed the governments' endorsements of the "1992" plan in June 1985, after having found the proposal "dull and boring" several months before. Cowles, "Politics," 238–45; Moravcsik, *Choice,* 355.

56. *Le Figaro,* March 3–4, 1984; *Le Monde,* March 4–5, 1984.

57. Christian Lequesne, *Paris-Bruxelles: comment se fait la politique européenne de la France* (Paris, 1993), 150; Cowles, "Politics," 227.

58. Lalumière told me she was sent because she was the least important minister. Interview, Brussels, April 22, 1997. No one was particularly interested in 1982; the council was created at the insistence of the Internal Market commissioner, Karl Narjes, who "wanted to have his own Council—just like the other Commissioners." Cowles, "Politics," 208.

European projects when he became Commission president in early 1985.[59] The French later accepted this plan but never saw it as one of their demands. Though the French were indeed moving toward liberalization, they (like everyone else) saw little direct link between it and EEC reform.[60]

By spring 1985, French strategies in Europe had been dramatically reoriented, deblocking European bargaining and giving the EEC a new institutional agenda. Neither a new French pursuit of liberalization nor Commission persuasion played a significant role in this shift. Instead, it followed from Mitterrand's personal decision to rebuild his policies around a community project. The Socialists' disarray after the U-turn, a permissive (but uninformed) consensus in public opinion, and divisions in opposition and majority gave the president the opening to effect this change, but did not demand it. As with the ECSC, EDC, EEC, and EMS, French pursuit of European institutional change emerged not because structural pressures dictated it but because a pro-community leader had the autonomy to act in a fragmented polity.

Negotiations

The disconnect between liberalization and EEC institutional issues in France was also present in the international bargaining that opened negotiations on treaty revisions. At the European Councils in Brussels and Milan in spring 1985, Delors presented the Single Market 1992 as a nonrevolutionary, technical program. It aroused only mild enthusiasm except from the British and Dutch, but EEC leaders endorsed it without serious debate.[61] Much more controversial—and seen as unrelated, such that some participants at Milan thought it an *alternative* to the "1992" proposal—was the presentation of the Dooge Report on institutional reform.[62]

Initially, support for the Dooge Report seemed uncertain owing to German hesitations. In May 1985, pressed by his farmers' attacks on the (minor) concessions made in 1984, Chancellor Helmut Kohl (CDU) authorized an unprecedented German veto of a CAP pricing accord. It was also well known that many German politicians and officials were ambivalent to the "1992" plan and hostile to treaty revisions.[63] This encouraged the British to try to kill reform before Milan. They offered an alternative plan to codify foreign policy cooperation and limit recourse to the Luxembourg Compromise with informal gentlemen's agreements (the Howe Plan).[64] Unsure of the Germans, Mitterrand

59. Ross, *Delors,* 29; Moravcsik, *Choice,* 361.

60. Moravcsik (*Choice,* 342) points to the emergence of bilateral Franco-German talks on liberalization in late 1984 (ultimately leading to the Schengen Accords of 1985) as evidence that the French wanted something like the Single Market. To the contrary, it illustrates that the slow steps to liberalization they favored were perfectly feasible without EEC institutional reform.

61. As late as December 1984, Commission documents noted there was little government support for its emerging Single Market plan. Cowles, "Politics," 235.

62. Ross, *Delors,* 73; Haywood, "French," 140.

63. Haywood, "French," 141; Moravcsik, *Choice,* 328–31.

64. Governments would try to limit their vetos and to justify them in writing. De Ruyt, *L'Acte,* 56.

prepared two positions.[65] One was a memo proposing expanded majority voting, EP powers, and a variety of other ideas. The other was a back-up plan in case the Germans blocked reform along with the British. This Draft Treaty on European Union (already discussed with Kohl) shared the Howe Plan's focus on foreign and security policy cooperation without institutional change.[66]

When the Italian chair at Milan called a vote on opening negotiations on institutional reform, however, the confusion dissipated. Kohl and Mitterrand supported the idea. The British, Danes, and Greeks complained that a vote by majority was "illegal" and political "rape," but opted to participate when the Six made clear that they would proceed without them.[67] The separation between liberalization and institutional reform was complete. The French and Germans, both ambivalent to "1992" and sharing no other substantive preferences (on industrial, monetary, or social policies), had opened treaty revisions by threatening to exclude the British, who favored liberalization and little else.

This pattern held in French strategizing and European bargaining through the negotiations in late 1985 and early 1986. The main substantive French proposals were in social policy, monetary coordination, and foreign policy. In social policy, they suggested extending EEC competence to workplace health and safety issues, initiating a European-level "social dialogue" between business and labor and requiring talks on EEC-level policy changes when unemployment reached a certain level. French monetary plans repeated their old positions, calling for a strong European Monetary Fund and more extensive policy coordination. In foreign policy they advanced the Franco-German "backup" plan, whose sole novelty was a secretary-general for political cooperation. The French also introduced a proposal on the Internal Market, but its transparent aim was to limit the Commission's text, narrowing the Internal Market's purview and making liberalization by 1992 a hortatory pledge, not an automatic deadline.[68]

According to Minister of European Affairs Catherine Lalumière, Mitterrand made the French bottom line clear to her: "The task was pretty clear: it was institutional reform."[69] The French supported extending majority voting to Internal Market and social policy issues. They joined the Germans and Dutch to support EP powers of "co-decision" (veto power) on several issues but did not champion the EP as strongly as the Italians and Belgians. They opposed British

65. Most observers agree that Mitterrand's apparent hesitations in spring 1985 were tactical: Lequesne, *Paris-Bruxelles,* 153, Haywood, "French," 139, and Favier and Martin Roland, *Décennie,* 2:213.

66. The plan was intended as a backup in case of a failure at Milan, so Mitterrand was very annoyed when Kohl mentioned it to the Bundestag just before Milan, giving the confusing appearance of two separate French plans.

67. But the EEC Treaty required only majority vote to discuss treaty revisions. On Milan, see de Ruyt, *L'Acte,* 62; Keating and Murphy, "European," 233.

68. In the Commission's draft, any Internal Market areas where common standards remained unadopted at the end of 1992 would automatically receive mutual recognition of national standards.

69. Interview.

attempts to split off foreign and security policy issues into a separate treaty, calling for a single new Treaty on European Union.

These institutional positions, not the substantive ones, met with broad resistance in the French administration. While officials generally favored high-tech, social policy, and monetary cooperation, and some Finance officials had growing enthusiasm for "1992," none of the technical ministries favored expansion of majority voting (let alone a greater EP role).[70] In one of the key Internal Market areas where the French ultimately blocked majority voting, tax harmonization, Finance officials reversed Mitterrand's initial stance for a majority rule.[71] There was even considerable conflict within the French negotiating team itself.[72] The lead negotiator, French permanent EEC representative Luc de la Barre de Nanteuil, cut back on majority voting and EP powers in small ways, until he was harshly reprimanded by Foreign Minister Dumas for taking "overly nationalist" positions. Immediately after the final deal, he would be replaced with a more loyal diplomat.[73] Nanteuil's strong personal support for liberalization again underscored its disconnect to institutional change.[74]

Only the final SEA deal connected liberalization to institutional reform. The Internal Market was the sole substantive proposal to survive the bargaining. Mitterrand's advisors summarized for him before the final talks in Luxembourg in December 1985, "An Anglo-German front has formed against French positions on three essential subjects: the Internal Market, monetary policies, social policies. At Luxembourg, you are not certain to be able to count on German support, as has been the case so far. . . . In terms of the creation of a great Internal Market, our positions in favor of a *rapprochement* of policies in all areas—fiscal, monetary, social—are still running into the free-trade approach of our British and German partners."[75] Minimal references to monetary and social policies were included in the final text, and then only at the price of further French and Italian concessions on exchange control liberalization and a rhetorical pledge to complete capital liberalization.[76] The Commission's broad version of the Internal Market was retained, though the "1992" deadline became nonautomatic. But if an Anglo-German front pushed Mitterrand to capitulate substantively, a Franco-German front pushed Thatcher to capitulate institutionally. The British had continued to fight majority voting in all areas, including the Internal Market.[77] The issue dominated the Luxembourg meet-

70. Interviews with 1980s SGCI officials, Paris, March 1998.

71. But in other areas that Finance officials prioritized for unanimity, like regulations on foreign direct investment, they did not successfully guide French positions. Interviews.

72. See similar information in Corbett, "1985," 269; Haywood, "French," 144.

73. Nanteuil proudly told me of this conflict, underlining that he thought Mitterrand endangered French interests in pushing for institutional reform. Several other diplomats in the delegation agreed. Interviews, Paris, May 1997 and March 1998.

74. Nanteuil is a liberal member of the right, recently head of the business publication *Les Échos.*

75. Élysée documents cited in Favier and Martin-Roland, *Décennie,* 2:216.

76. Corbett, "1985," 247.

77. De Ruyt, *L'Acte,* 74.

ing, with the final language written by Thatcher, Mitterrand, and Kohl themselves. Majority voting was limited in a few specific areas requested by various governments, but the British basically accepted a broad majority rule. They also gave in on EP powers.

The Single European Act was signed hurriedly in February 1986, to conclude before Mitterrand lost his legislative majority in the March elections. He was disappointed with the "timid advance of Luxembourg," writing that "I will not hide that the transaction, which rallied general support, remained very far below what I would call the vital minimum for Europe."[78] Yet as one of his ministers told me (when puzzled by questions about what exactly the French gained), "What counted was the process of the construction of Europe; the content of European policies was not the first priority."[79] For Mitterrand (like an earlier Socialist who struck a liberalization deal, Guy Mollet), stronger European institutions would lead eventually to the coordinated economic, social, and foreign policies that were the key to a stronger France.

The pattern of political mobilization leading to the SEA, in France and abroad, suggests a continued role of community ideas as "switchman" between alternative Europes in the 1980s. At the European level, liberalization and institution building were separate projects (though their support overlapped). In France, the president shared his compatriots' policy concerns but not their views on concomitant institutional strategies or on the substantive concessions acceptable to realize those strategies. Without Mitterrand's choices—choices neither prefigured by clear domestic incentives nor contravened by major opposition—the French and "pan-European" trend to liberalization led only to liberalization, not European institutional change.

HOLDING THE PATH: ACCEPTING THE SEA, 1986–1988

What were the historical consequences of Mitterrand's "relaunch"? Again the new European commitments were soon tested. Just after the SEA's signature, RPR head Jacques Chirac became prime minister, inaugurating the Fifth Republic's first "cohabitation" between an opposing president and premier. Chirac considered renegotiating the SEA, as many of his advisors and allies wished. Yet he found it very difficult to undo his predecessor's choices. Pro-community figures in his own coalition threatened a domestic crisis, President Mitterrand promised to block new talks, and the SEA's focus on deregulation (though originally unintended by Mitterrand) was difficult for the new government to disavow. Thus Chirac quietly accepted the SEA—and its far-reaching implications. By the end of his short term in 1988, even the more traditional Gaullists had recast their rhetoric to present the SEA as a reasonable step forward.

78. François Mitterrand, *Réflexions sur la politique extérieure de la France* (Paris, 1986), 332.
79. Interview.

It was clear that the new government would not have pursued anything like the SEA. The RPR and UDF papered over their differences in 1985–86 in a common electoral platform of vaguely pro-European positions (using British language of calls for "reform to strengthen the Community"), but Chirac expressed his hostility to any questioning of the Luxembourg Compromise, and his views on the European Parliament were well known. According to his advisors, in light of UDF pressures and his need to cooperate with Mitterrand, Chirac was already personally willing to consider ratifying the SEA when he arrived in power. But some of his major RPR allies, like Interior Minister Charles Pasqua, Social Affairs Minister Philippe Séguin, or rising finance minister Édouard Balladur, disapproved strongly of the SEA's institutional reforms.[80] Chirac's diplomatic counselor was Jean-Marc Boegner, de Gaulle's EEC representative during the "empty chair" crisis; he was "terribly opposed" to the SEA.[81] The RPR rank and file, too, were hostile. According to one party insider, a vote of party members in 1986 would have decisively rejected an SEA ratification.[82] The result was that in his first six months as premier, Chirac did not schedule ratification on the parliamentary agenda and did not even appoint a minister for European affairs.

As suggested above, this hostility was institutional, not substantive. As a result of its Reaganesque turn since the early 1980s, the RPR centered its discourse on free markets, and its membership also shifted to include more business professionals.[83] The 1986 platform promised privatizations, freer labor and financial markets, a smaller government, and an emphasis on French competitiveness. These themes had worked well electorally. Though RPR leaders had echoed Mitterrand's advocacy of European high-tech and monetary collaboration, and had given little earlier attention to the Single Market plan, they seemed to have every reason to approve of the substantive deal struck at Luxembourg. But just as Mitterrand maintained his institutional push even as his substantive demands failed, so RPR leaders balked at the SEA's institutional changes despite obvious links to their substantive agenda.

Internal pressures soon pushed Chirac to ratification, however. The most important push came from the most pro-community group in the UDF, the CDS centrists led by Pierre Méhaignérie. Before the SEA was signed, this small minority of the Right had only been able to nudge Chirac to vaguely more pro-EC rhetoric. If they could not push Chirac *forward* to new European steps, however, the SEA set a specific demand from which they could block *backward* movement. Méhaignérie threatened privately to bring down the government

80. Interviews, members of Chirac, Séguin, and Balladur Cabinets, Paris, April–May 1997. These three figures covered the full spectrum of the RPR's internal currents, with Pasqua a longtime personal ally of Chirac, Séguin an old rival with more traditional and left-leaning views, and Balladur a rising star with strong ties to big business.

81. Interviews, Jean-Marc Boegner and Foreign Ministry officials, Paris, March 1998.

82. Interview, a director of several RPR ministerial Cabinets, Paris, April 30, 1997.

83. P. Brechon and J. Derville, "Plongée libre au sein du RPR," *Revue politique et parlementaire* 927 (1987), 19–28.

unless the SEA was quickly ratified. Securing wider UDF support from Giscard for his threat, he also demanded that a very pro-community CDS member, Bernard Bosson, become minister for European affairs.[84] Less direct pressure came from Mitterrand, who made clear privately that he would exert his constitutional authority for international treaties to block any attempt at renegotiation.

Chirac saw no alternative to meeting his allies' demands. In summer 1986 he moved to impose an explicit "nondiscussion" within the RPR on the SEA, appointed Bosson, and submitted the treaty for ratification. Difficult arguments took place in Cabinet meetings in late summer, but the RPR ministers reluctantly followed their leader. In the meetings, Chirac echoed de Gaulle's negatively phrased acceptance of the EEC in 1958, arguing that "[the SEA] should have been better; it could have been different; but we are not fundamentally opposed," and that if the SEA did not go in exactly the right direction, "it doesn't go in exactly the wrong direction."[85] Chirac enlisted the personally loyal Jean de Lipkowski as parliamentary rapporteur on the treaty and pushed ratification through in December 1986. Eight ultratraditionalists behind Michel Debré still abstained, and many more mainstream RPR members expressed their reluctance in the Assembly debates.[86] Superficially, the SEA's ratification by a huge PS-UDF-RPR majority gave the appearance of an unprecedented French consensus on Europe.

Chirac's acceptance of the SEA was facilitated by the fit between the Single Market plan and the RPR's national proposals. As one French commentator writes, "One can certainly suspect [the RPR] of stifling its still-active reticence toward European integration to fully utilize the '1992' argument in service of its own political project" of liberalization.[87] Over the next few years, the RPR would constantly evoke "1992" as a deadline before which French firms had to accept liberalization or be outcompeted.[88] Again, RPR leaders took up this tactic only *after* Mitterrand had signed the treaty and the UDF had pushed Chirac to respect it. But this unintended consequence of Mitterrand's European activism, fitting with the domestic agenda of his opponents, helped his European initiative to survive. Similarly, if French business had been cool about the push to the SEA, they too warmed to its substantive outcome. Chirac's business constituents had not pressed him in this direction before 1986, but now they were broadly favorable to maintaining the SEA agenda.

That Chirac's alignment was a reluctant adjustment rather than a positive choice was underlined in continued internal conflicts over EC decisions in

84. Interviews, Bosson's Cabinet director; Foreign Ministry officials; Chirac Cabinet members, Paris, May 1997 and March 1998.

85. Citations are paraphrases of Chirac by a ministerial Cabinet director who was present.

86. Lequesne, *Paris-Bruxelles,* 159.

87. François Saint-Ouen, "Le RPR est-il devenu européen?" *Revue politique et parlementaire* 933 (1988), 51–54.

88. Ibid.

1987–88. If RPR leaders accepted the basic idea of Single Market deregulation by late 1986, they balked at the so-called new Community policies in the SEA: research, education, culture, and regional development. In preparing the EEC research budget in 1986–87, for example, Mitterrand sympathized with the Commission's high proposal of 7.7 billion ECU for five years. He was supported by Minister for European Affairs Bernard Bosson. Chirac and Balladur, however, sided with the Germans and British to limit the figure to as low as 4 billion ECU. While most officials at the Quai and the technical ministries supported this stance, Chirac immediately came under pressure internally from Bosson and other UDF figures and from the Élysée.[89] Knowing that Chirac had no wish to limit presidential authority (as he hoped to enjoy it soon himself), Mitterrand leaned on the premier through a public call for a larger sum.[90] Chirac soon revised his decision up to 5.4 billion ECU.[91] Similarly, in the negotiation of the larger Delors Package on community finances in 1987, Chirac took a harder line than that advocated by either Bosson or Mitterrand. Whereas the latter supported a doubling of the Structural Funds in regional policy, the prime minister's team opposed this as an unnecessary increase in the EEC budget. An internal French compromise was struck only in the final Delors Package deal in early 1988, where Chirac accepted doubled regional spending in return for large guaranteed CAP quotas.[92]

By the end of his two-year term (cut short by Mitterrand's presidential election and dissolution of the Assembly in 1988), Chirac and his RPR peers had heavily revised their public positions on all issues connected to the SEA. Even strongly traditional Gaullists like Philippe Séguin came to portray the expansion of majority voting as a reasonable, technical response to growing European interdependence.[93] As one of Mitterrand's advisors later noted, "The prime minister had finally rallied, to all that he had contested in the opposition: enlargement to include Spain and Portugal, ratification of the SEA, limits to the agricultural budget, reduction in milk quotas, increase in the Community budget, financing of Community research, doubling of the Structural Funds, adoption of the Erasmus program [for European educational exchange]."[94]

Overall, the pressures behind the RPR rally to the SEA were not difficult to see. They were not structural pressures, however, nor were they the reasons that initially led the French government to the SEA. No change in economic con-

89. Bosson was widely perceived in the administration as a European dreamer with little appreciation for French interests. He clashed frequently with senior diplomats and other officials. Interviews.

90. *Le Monde,* January 16, 1987.

91. Lequesne, *Paris-Bruxelles,* 162; Alain Devaquet, *L'amibe et l'étudiant* (Paris, 1988), 189–201.

92. Lequesne, *Paris-Bruxelles,* 162, and interviews.

93. A Séguin advisor insisted to me that although he had initially had misgivings, the SEA was an unobjectionable, intergovernmental deal—unlike the supranational Maastricht deal. Interview, Paris, May 6, 1997.

94. Védrine, *Mondes,* 402.

ditions, geopolitical pressures, or electoral demands intervened between Chirac's hostility to the SEA in 1984–86 and his acceptance of it. RPR leaders did not spontaneously persuade themselves that Europe needed to move beyond the Luxembourg Compromise. Instead, Chirac and his ministers faced a pro-SEA minority in their own coalition, Mitterrand's looming presence at the Élysée, and the unexpected result of a European deal that enshrined their own economic priorities. None of these pressures could have pushed a Chirac government to sign an SEA-style deal in the absence of such a deal, but given this inheritance the Gaullists were persuaded to avoid a costly political battle to reject it. And having altered their policy stance, RPR leaders recast their rhetoric to present the SEA as reasonable.

Importantly, a similar post-SEA evolution occurred on the left. Once Mitterrand had endorsed a quasi-federal European agenda, and particularly after the 1986 legislative loss had left the presidency as the sole bastion of Socialist power, the PS faced major electoral incentives to align coherently on Mitterrand's policies. Everyone saw a united left as crucial to preserving the presidency and recapturing the legislature in 1988. This pressure quickly produced rhetorical change that mirrored that within the RPR. In the EP elections of 1984, the party platform had explicitly opposed EEC institutional reform, and the left of the party (led by Jean-Pierre Chevènement's CERES) had loudly defended a Europe of the States. By 1986, the party platform strongly endorsed further EEC institutional development (including increased EP powers). Chevènement admitted that his position on majority voting had evolved, and CERES called for a vague European Union.[95] The 1987 Socialist congress cast itself as "resolute partisans of a European Union with real political power and including complete monetary union."[96] By 1988, no mainstream French politicians questioned French interests in an EC with extensive majority voting, and the Luxembourg Compromise faded into obscurity.[97]

CONCLUSIONS

I have argued that the battle of ideas visible in earlier French strategizing over Europe continued through the Single European Act. Even in this episode—central to the emergence both of Moravcsik's structuralist "liberal" theory of integration and the institutionalist approaches of Wayne Sandholtz, David Cameron, Neil Fligstein, and others—the pattern of political mobilization displays a major causal role for ideas. At the European level, the SEA's connection between institutional reform and liberalization was made in bargaining, not functional logic (whether spontaneous or framed by the Commission); it was

95. Pascal Delwit, *Les partis socialistes et l'integration européenne* (Brussels, 1995), 104.

96. Haywood, "French," 121–49.

97. But not quite complete irrelevance, as the SEA did not formally revoke the Compromise. See William Nicoll, "The Life and Death of the Luxembourg Compromise," *Journal of Common Market Studies* 31:4 (1993), 567–79.

a deal between the separate agendas of reform and deregulation. Inside France, this deal drew support from reformers across the political spectrum, not liberalizers (though again, these groups overlapped). Amid fragmented domestic demands, Mitterrand had the autonomy to choose between EEC reform and the institutional status quo. Despite the preference of much of his coalition for the latter, and drawing on his longstanding support for the community model, he chose to rebuild his policies around a new Europe—even if (not because) that Europe would be liberal.

The subsequent alignment of Jacques Chirac's RPR on Mitterrand's initiative was overdetermined. Even had Chirac not faced a pro-community minority in his coalition, or had the SEA not had unforeseen links to his national agenda, Mitterrand's continued presence (in a presidential role Chirac had incentives not to diminish) would likely have blocked renegotiation. But as strong as these pressures were, they would not have existed without the SEA deal in 1986. Without formal and specific engagements, Chirac could have mollified UDF Europeanists with grandiose European statements. He might still have endorsed European deregulation—though his apparent conversion to liberalization was never deep—but his institutional views would have limited his actions to hortatory pledges. Lacking a prior treaty, Mitterrand could not have pushed for one once he lost his majority (which many thought required his resignation). The new institutional deal itself created the expectations that maintained it.

What was the overall variation in European outcomes caused by this new assertion of community strategies and their institutionalization? The SEA's effects now animate an academic cottage industry that implies huge substantive differences between it and a status-quo EEC.[98] In the late 1980s, the annual volume of EC legislation in France surpassed that of legislation of national origin.[99] By no means did the SEA ensure implementation of "1992"; the directives opening sectors from finance to energy met major resistance, and the fight over liberalization continues today. But this ongoing resistance highlights that without an institutional turn to majority voting, the substantive battle in many sectors would not have been engaged. Had France taken its expected position—allying with Britain to defend the institutional status quo—much of the Single Market would have quickly returned to dusty drawers in Brussels. Capital liberalization in particular (a major precursor to later steps in monetary integration) would have been unlikely to develop without majority voting.[100] For

98. François-George Dreyfus et al., eds., *France and EC Membership Evaluated* (New York, 1993); John T. S. Keeler and Martin Schain, eds., *Chirac's Challenge: Liberalization, Europeanization, and Malaise in France* (New York 1996); Dennis Swann, *The Single European Market and Beyond: A Study of the Wider Implications of the Single European Act* (New York, 1992); Dale Smith and James Lee Ray, eds., *The 1992 Project and the Future of Integration in Europe* (New York, 1993).

99. Vivien Schmidt, "Loosening the Ties That Bind: The Impact of European Integration on French Government and Its Relationship to Business," *Journal of Common Market Studies* 34:2 (1996), 223–54.

100. In 1988, the French wanted to veto full capital liberalization, but could not. See chapter 7.

firms and policy-makers in many sectors, the late 1980s and 1990s would have brought not just less "Europeanization" but less liberalization as well.

More broadly, Mitterrand's relaunching of the community institutions was most important in setting the diplomatic stage for further steps. The SEA reactivated the kind of overtly supranational strategies of European institution-building that had animated community champions in the 1950s. Confederalists and traditionalists had been dragged to a tacit renunciation of the Luxembourg Compromise, and acceptance of growing influence for the European Commission and Parliament. The community model, as conceived in the 1950s, was almost completely in place. Given another impulse of pro-community leadership, Europe might fully realize—or even go beyond—what the founding fathers had envisioned.

SEVEN

Entering Euroland

> I accept the Maastricht Treaty without enthusiasm, but without soul-searching.
>
> JACQUES CHIRAC

Two years after signing the SEA, the French government began pushing for near-term steps to a European Central Bank (ECB) and a single currency. It secured German agreement to formal negotiations in late 1989 and signed the Maastricht Treaty on European Union in December 1991. The treaty further extended EC competences and the powers of the European Parliament and committed the French to full Economic and Monetary Union (EMU) by 1999. This pledge, to create the single-currency zone now known colloquially as Euroland, represents the greatest voluntary concession of sovereignty ever made to international institutions.

This chapter repeats my questions one last time, focusing mainly on the EMU part of the Maastricht deal. What were the options French elites advocated in European institution building in the late 1980s and early 1990s? What pattern of political mobilization explains the selection and ratification of one particular strategy? What were the effects of this institutional deal on subsequent French strategizing in Europe? What, overall, were the historical consequences for French strategies and European outcomes?

The EMU literature features all earlier views of European institution building. On one side are structuralist accounts, both economic and geopolitical. For the former, EMU was "driven primarily by [governments'] enduring structural economic interests [from] increased capital mobility and macroeconomic convergence."[1] For the latter, the Cold War's end and German unification provoked fear of a Franco-German split in the "new Europe"; both countries' leaders sought EMU to bind the EC together more tightly.[2] On the other side are institutionalists, who argue that neither pressure dictated national moves to EMU. Instead, governments chose this step due to a combination of earlier in-

1. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, 1998), 381.

2. Michael Baun, *An Imperfect Union: The Maastricht Treaty and the New Politics of European Integration* (Boulder, Colo., 1996); Keith Middlemas, *Orchestrating Europe: The Informal Politics of the European Union, 1973–95* (London, 1995), 156; Joseph Grieco, "The Maastricht Treaty, Economic and Monetary Union and the Neo-Realist Research Programme," *Review of International Studies* 21 (1995), 21–40; with greater nuance, Wayne Sandholtz, "Choosing Union: Monetary Politics and Maastricht," *International Organization* 47:1 (1993), 1–37.

stitutional legacies and new Commission leadership. The EMS increasingly forced EC members to shadow German monetary policies, giving the French and others incentives to seek more coordination to regain some control of their own policies. The SEA led to full intra-EC capital mobility, and with it greater speculative pressure on EC governments to adopt identical monetary policies. These "spillovers" put new monetary steps on the table, and the Commission shepherded still-reluctant states to EMU.[3]

Once again, these arguments contribute to our understanding of EMU but miss the political patterns behind it. The economic and geopolitical contexts were prominent in leaders' minds at Maastricht. EMS asymmetry and SEA capital liberalization did spur French actors to new monetary steps, and the Commission did influence the EMU deal. These accounts overlook, however, that these pressures still did not drive French elites coherently to a particular strategy. Their oversight is more comprehensible than in earlier steps, since by the late 1980s French conflicts over Europe had narrowed to seemingly technical and often private debates. Still, the European divergence between French alternatives was massive. Many French elites—including the finance minister who negotiated EMU—preferred central-bank coordination or a European "parallel currency" to the wholesale delegation of monetary sovereignty to a European Central Bank. Had the French chosen this course, Euroland would not exist. Stronger monetary coordination, without even a parallel currency, would have been the result.

The French pursuit of full EMU was decided personally by Mitterrand, over objections from some of his closest allies and advisors. The pattern of his broader support highlighted that pro-community ideas still cut across the French polity. Debates before and after Maastricht showcased splits in all the major parties on the desirability (and even acceptability) of EMU, as well as on the other EC institutional changes that accompanied it. The least ambiguous support for the Socialist president's EMU deal came from parts of Giscard's UDF. Business groups, though vaguely positive, never clearly demanded a single currency and generally favored short-term policies that undercut it. Their main electoral support still went to Mitterrand's Euro-skeptical opponents. Overall, EMU neatly repeated the historical pattern of an institutional deal struck by a pro-community leader who stepped beyond his domestic support.

What were the consequences of the EMU deal? Implementation was not a foregone conclusion; the 1999 deadline was a long way off. Economists warned that EMU was unwise. The near-failure of the 1992 treaty referendum revealed an upswell of Euro-apathy (or hostility) in the French public. Worse, elections soon installed much less pro-community leaders. In 1993, RPR baron Édouard

3. George Ross, *Jacques Delors and European Integration* (New York, 1995); Nicolas Jabko, "In the Name of the Market: How the European Commission Paved the Way for Monetary Union," *Journal of European Public Policy* 6:3 (1999), 475–95; Wayne Sandholtz, "Membership Matters: Limits of the Functional Approach to European Institutions," *Journal of Common Market Studies* 34:3 (1996), 403–29; Daniel Gros and Niels Thygesen, *European Monetary Integration* (London, 1992).

Balladur became premier in a legislative landslide. In 1995, Jacques Chirac replaced Mitterrand as president. Both had opposed Maastricht, and EMU specifically, when the deals were struck. Yet rather than reorienting French policies, these leaders gradually aligned on pro-EMU positions. Chirac announced in 1992 that he accepted Maastricht "without enthusiasm, but without soul-searching." By late 1995, he was championing EMU as central to French national interests. By 1997, even the Gaullist leader of the 1992 anti-Maastricht campaign, Philippe Séguin, was defending the euro. Despite electoral pressures and strong economic arguments in the other direction, anticommunity leaders saw no viable alternative to accepting the most ambitious step yet in the community project. Institutional pressures engendered by the Maastricht Treaty—new expectations in international markets, French party ties, and European intergovernmental relations—lay behind their reorientation. Rather than the much more limited national coordination that many French elites had preferred, the institutionalization of community ideas had consolidated Euroland.

THE BASIC STORY AND EXISTING ACCOUNTS

Longstanding French hopes for closer European monetary coordination became a push to EMU in 1988. In 1986, a falling dollar sent capital flowing into the mark. Its rise relative to other EC currencies led to a hotly contested EMS realignment in January 1987. The French insisted that only the mark be revalued; French inflation was low and French trade in balance, so the problem was not a weak franc but an unusually strong mark. But the Germans pushed through a franc devaluation of 3 percent and a mark revaluation of 3 percent.

Bitter at the forced devaluation, RPR finance minister Édouard Balladur called for talks to revise EMS adjustments in February 1987. He largely rehashed old French plans: more automatic lending between central banks to support weak currencies, and "surveillance" of national policies to identify divergent currencies (meaning, in French eyes, making the mark adjust). Talks in the EC Committee of Central Bank Governors produced mixed results in the Basle-Nyborg Accord of September 1987. Short-term EMS loans were expanded, but the Bundesbank shunted the "surveillance" idea into a recommendation that EMS adjustments operate more by domestic interest rate shifts than by exchange rate interventions. This meant placing still more emphasis on unilateral convergence instead of on supportive central mechanisms.[4] Meanwhile, Bundesbank officials also diluted French proposals for a Franco-German Economic Council, through which Paris sought bilateral influence

4. Kenneth Dyson, *Elusive Union: The Process of Economic and Monetary Union in Europe* (New York, 1994), 122; Thomas Oatley, *Monetary Politics: Exchange Rate Cooperation in the European Union* (Ann Arbor, 1997), 154; Gros and Thygesen, *European;* Stephen Overturf, *Money and European Union* (New York, 1997), 44.

over German policies. Chancellor Kohl was forced to admit that outside interference in German monetary policies was unconstitutional.[5]

Dissatisfied, the French turned to more radical plans to reequilibrate monetary relations. President Mitterrand called for a European central bank (ECB) in October 1987. In January 1988, Balladur published a memo that broadly attacked EMS asymmetry and concluded that "[t]he rapid pursuit of the monetary construction of Europe is the only possible solution." He too mentioned a European currency and central bank. To widespread surprise, German foreign minister Hans-Dietrich Genscher replied with a memo in February supporting a single currency and European bank. Chancellor Kohl soon echoed him. But German support was not without a price. The French, fearful of uncontrolled capital flows, were blocking capital liberalization directives within the Single Market. Only when they accepted full capital mobility, in June 1988, did Kohl agree to create a committee on EMU under Commission President Delors.

The Delors Committee of EC central bank governors was instructed to study technical means to achieve EMU. Its talks quickly polarized along the division familiar from the 1970s. The French, Italians, and Spanish called for immediate coordinating mechanisms; the skeptical Germans and British held that any coordination was conditional on prior national convergence. A delicate compromise came before the Madrid European Council in April 1989. The Bundesbank and Bank of England chiefs, Karl-Otto Pöhl and Robert Leigh-Pemberton, endorsed a three-stage plan to a European central bank and single currency. In July 1990, the first stage would bring capital liberalization (as already agreed) and full EMS participation for all EC currencies.[6] The second would tighten EMS margins, limit national deficits, create links for a European system of central banks, and set common economic targets. The third would fuse national currencies into a centrally managed single money. But Pöhl and Leigh-Pemberton vetoed specific dates or procedures for the second or third stages. Pöhl also insisted that the ECB be modeled on the Bundesbank, with an anti-inflation charter and total independence. The result was similar to the Werner Plan of 1971, but without specific dates and with a clearer anti-inflationary bent.

At Madrid, Mitterrand convinced Kohl to support an intergovernmental conference (IGC) on EMU treaty talks during the first stage. Thatcher initially blocked any talk of the second or third stages and any dates for the IGC's beginning and end, but her stonewalling did not hold under the French EC presidency in late 1989. The French formed a high-level group of monetary specialists whose meetings amounted to informal preparatory negotiations. Their push accelerated with the events in Eastern Europe in fall 1989. The sud-

5. Karl Kaltenthaler, *Germany and the Politics of Europe's Money* (Durham, 1998); Oatley, *Monetary*, 154.

6. The British pound, the Italian lira, and the Greek drachma were still not full participants.

den prospect of German reunification led to widespread speculation that the new Germany might turn away from the EC. Mitterrand pressed Kohl on EMU, gaining the chancellor's assent to a date for the IGC. Kohl also insisted that movement to EMU be accompanied by institutional reforms, notably expanded powers for the European Parliament. In December, the Strasbourg European Council overruled Thatcher's objections to schedule a formal IGC for late 1990.

During 1990, joint initiatives from Mitterrand and Kohl added new steps in foreign policy and security to the EC agenda. This led to the opening of two parallel IGCs in December 1990: one addressing EMU and the other under the rubric of "political union" (institutional reform and political cooperation). The negotiations took one year. On political union, the French pursued the familiar goals of a common social policy (a European Social Charter as the basis for EC legislation), foreign policy cooperation, and an EC "defense identity."[7] The social charter ran into familiar British and German opposition, and the British tried to limit Franco-German plans in defense. Institutionally, the Germans, Dutch, and Italians sought expanded EP powers and majority voting, the British opposed both, and the French took middle-ground positions (but closer to the Germans). On EMU, the old conflict continued. The French sought automatic progress to full EMU. The Germans insisted that progress in integration be conditional on specific "convergence criteria." The British initially pushed a separate plan for a parallel European currency that would "compete" alongside national monies. But the French rejected this option because it sidestepped central policy coordination, and the Germans feared it would be inflationary.

The final compromise was struck at Maastricht in December 1991. The political union deal extended EP powers and majority voting to new areas (including the social charter), expanded EC competences to include "justice and home affairs" (crime and immigration), and set the goal of a Common Foreign and Security Policy (CFSP). These steps were purchased with a messy institutional arrangement, however, in which the new European Union divided into three "pillars," with the second and third isolating the CFSP and justice and home affairs from supranational interference from the Commission, EP, or ECJ. The British also introduced new institutional heterogeneity by opting out of the social charter. By far the most important developments, however, concerned EMU. Specific procedures and deadlines were set for the second and third stages. Final passage to EMU was contingent on states' satisfaction of five convergence criteria (on debt, deficits, interest rates, inflation, and EMS membership),[8] but the third stage would begin in January 1999 even if some mem-

7. Franco-German initiatives in 1990 proposed the long-moribund Western European Union (WEU) as the EC's security arm. Richard Corbett, "The Intergovernmental Conference on Political Union," *Journal of Common Market Studies* 30:3 (1992), 271–98; Yves Doutriaux, *Le traité sur l'union européenne* (Paris, 1992).

8. Total government debt was to be less than 60 percent of GDP; annual budget deficits less than 3 percent of GDP; long-term interest rates within 2 percent of an average of the three lowest

bers failed to join. The extraordinary nature of this pledge was underlined by British insistence on a second opt-out clause. Britain had refused to take risks in integration once again. But by 1999, at least some European governments would delegate all of their monetary powers to a supranational central bank.

Structuralist and Institutionalist Explanations

Economic structuralists offer the simplest explanation of the French pursuit of EMU. Since the 1970s, rising trade interdependence and capital mobility had pressed the French to shadow German monetary policies. The French had thus pushed for more European monetary cooperation, seeking to share the burden of adjustment through political influence on German policies. Failing to obtain a supportive, "symmetrical" EMS, and facing even greater capital flows in the 1980s, they proposed stronger versions of their earlier plans. In full EMU, France would recapture a seat at the monetary table. A deal was facilitated by growing French willingness to accept German terms, as French policies gradually converged on German-style monetarist inflation fighting. This combination of structural evolutions—separate from the EMS or EC institutions themselves—pushed the French government to full EMU.[9]

Geopolitical structuralists allow that economic factors set the context for French pursuit of EMU but claim that this choice "must be understood primarily as a political response . . . to German unification and the end of the Cold War."[10] For the French, the impulse to near-term, full EMU was fear of German dominance. Germany reunified would outweigh France more than ever economically. Restoration of full German sovereignty and the end of East–West tensions would erase German dependence on French diplomatic support and security cooperation. These new concerns, not fairly constant French interests in tempering German monetary dominance, made full EMU an urgent French demand in late 1989 and 1990. Thus, "[f]or France, an agreement on monetary union was a means of integrating Germany even more firmly into European institutions and structures," rather than a response to economic imperatives.[11]

Institutionalists argue that neither pressure led governments spontaneously

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EC members' rates; inflation within 1.5 percent of an average of the three lowest; and currencies were to participate in the EMS for two years without readjustments.

9. Moravcsik argues that no EMS or SEA legacies affected French choices, citing David Andrews's claim that "monetary authorities in Paris . . . were obliged to pursue increasingly Germanic monetary policies throughout the 1980s not because policy coordination with Germany had been formally institutionalized [in the EMS], but in spite of it." He sees "no evidence" that pressures from increasing capital flows resulted from the SEA's capital liberalization, not from broader structural trends. David Andrews, "Capital Mobility and Monetary Adjustment in Western Europe, 1973–1991," *Policy Sciences* 27 (1994), 425–46; Moravcsik, *Choice*, 411.

10. Michael Baun, "The Maastricht Treaty as High Politics," *Political Science Quarterly* 110:4 (1996), 605–24. Many accounts combine the economic and geopolitical arguments, explaining French calls for EMU with the former and German acceptance with the latter. David Andrews and Thomas Willet, "Financial Interdependence and the State: International Monetary Relations at Century's End," *International Organization* 51:3 (1997), 479–511; Geoffrey Garrett, "The Politics of Maastricht," *Economics and Politics* 5:2 (1993), 105–23; Kaltenthaler, *Germany*.

11. Baun, "Maastricht," 622.

to the EMU bargain. Both encouraged some cooperation around 1990, but neither caused this outcome. Instead, EMU reached the agenda due to the unforeseen legacies of the EMS and the SEA, and succeeded thanks to Commission leadership. The EMS created the pressure on French monetary policies; even after French deflation in the mid-1980s, the franc's cumulative EMS overvaluation left it a target for speculation. The SEA directives on capital liberalization in late 1987 promised to undercut France's remaining controls against speculation. These consequences created the initial French calls for monetary integration. Then Delors adroitly channeled the French push into full EMU and cleverly drew the Bundesbank into endorsing the Delors Report (largely because Pöhl thought it would not be implemented). The French found themselves demanding full EMU, and the Germans found themselves accepting it. In sum, the Commission "induced key actors to reframe their preferences in terms of EMU."[12] The path to Euroland resulted from earlier European deals, and Delors guided France and its neighbors along that path.

Problems with the Literature

The structuralist focus on economic interdependence, especially growing capital flows, is the baseline for any account of French interests in EMU. Monetary union makes little sense without the context of the late-twentieth-century European economy. But as many scholars note, the economic logic linking French interests to full EMU was far from obvious.[13] If the French hoped to influence German policies to temper strict inflation fighting and help French growth and employment, it is unclear why they accepted EMU on such German-defined terms. The bet that the ECB would do anything other than reproduce German policies seemed a bad one. The ECB inherited the Bundesbank's monetarist mandate and independence, and the convergence criteria made it seem likely that France would have no weak-currency allies in ECB decision making. Moreover, many economists note that whatever success the French had in influencing ECB decisions, no single monetary policy was likely to improve European economic welfare. The EC economies still differed enough to produce asymmetrical reactions to shocks, meaning they would still profit from different monetary policies in crisis.[14] Even Moravcsik admits,

> Yet the economic case for EMU in France still rested on a gamble, namely that the consequences of a more symmetrical Franco-German

12. Jabko, "Name," 477; Renaud Dehousse and Giandomenico Majone, "The Institutional Dynamics of European Integration: From the Single Act to the Maastricht Treaty," in *The Construction of Europe*, ed. Stephen Martin (Dordrecht, 1994), 91–112.

13. Paul Krugman, "Policy Problems in a Monetary Union," in *The European Monetary System in the 1990s*, ed. Paul de Grauwe and Loukas Papademos (New York, 1990); Sandholtz, "Choosing."

14. Tamim Bayoumi and Barry Eichengreen, "Shocking Aspects of European Monetary Integration," in *Adjustment and Growth in the European Monetary Union*, ed. F. Torres and F. Giavazzi (Cambridge, 1993), 193–229; Barry Eichengreen and Jeffry Frieden, "The Political Economy of European Monetary Integration: An Analytical Introduction," in *The Political Economy of European Monetary Integration*, ed. Eichengreen and Frieden (Boulder, Colo., 1994), 1–24.

> relationship [itself uncertain], new capital market conditions, and reduced volatility under EMU—a stable Euro relatively competitive against the dollar—would offset the costs of convergence and the residual benefits of maintaining the discretion to let the franc depreciate under current arrangements. . . . Although the public discourse of French elites suggests that they accepted that EMU would impose a measure of economic modernization on France, it is clear that they consistently rejected the view that this would best occur through a fully independent central bank patterned after the Bundesbank.[15]

Yet this is what France demanded at Maastricht. Did geopolitics, then, lead French leaders to pursue full EMU, even on German terms? French elites were clearly troubled by the Western European consequences of the revolutions of 1989. Publicly and privately, Mitterrand and others portrayed EMU as a way to bind Germany to its EC partners. But geopolitical accounts have serious timing problems. French government preferences for full EMU as soon as possible were defined well before the first hints of the 1989 cataclysm in Eastern Europe. The French push emerged in early 1988 and was specified and clarified around the Delors Committee through April 1989. Geopolitical arguments also gloss over the international pattern of support for EMU. The British were as afraid of German reunification as the French but remained EMU's greatest opponents. If the need to bind the Germans monetarily was so clear to the French, why was this ignored by the similarly placed British?[16]

These points echo the ways in which institutionalists criticize structuralists: French pursuit of EMU was not a direct response to structural imperatives. Much evidence also supports the institutionalists' positive case. Many French elites saw the EMS and SEA themselves as causes of their monetary predicament. Many participants also felt that Delors influenced the process, strategically drawing all the governments toward full EMU. Their claim that EMS/SEA-engendered capital mobility led the French to seek monetary influence through EMU, however, shares the weakness of the economic-structuralist account—why then accept EMU on German terms? Some scholars do better by portraying French concerns as more political than economic. For France, EMU was about gaining a voice at the monetary table, not different policy outcomes.[17] But even with this nuanced logic, institutionalist arguments about EMU exhibit the same weakness they displayed on the SEA. They highlight un-

15. Moravcsik, *Choice,* 440.

16. Dorothée Heisenberg, *The Mark of the Bundesbank: Germany's Role in European Monetary Cooperation* (Boulder, Colo., 1999), 185. The combined economic-geopolitical argument, in which the French accepted German reunification and/or EC political reform in return for EMU, also has massive timing and substantive problems. German reunification was formally complete in October 1990, before the EMU negotiations began in December 1990; the Germans had little reason to accept EMU to get reunification. Nor did the French ever oppose a parallel conference on political union, and it is absurd to imply that German calls for greater EP powers were a demand commensurate to French calls for EMU.

17. Jabko, "Name."

foreseen pressures and Commission activism but do not look inside governments to show who changed their thinking because of these factors. Again they strongly suggest that the EC's supranational facets helped national leaders to a deal—but do not show it.

If institutionalists looked inside the French government, they would see a pattern that forms the basic challenge to all existing accounts of EMU. Whatever the pressures on French policies, French decision makers did not agree on their European monetary strategy before Maastricht. Some, including Mitterrand, quickly came to the conclusion that their interests lay in full EMU. Others in Mitterrand's party and economic ministries favored less ambitious alternatives and criticized the president's decisions. Crosscutting ideas continued to select between different French strategies, with very different implications for European outcomes.

ENTERING EUROLAND

This section argues that French mobilization in the approach to Maastricht was still structured by the crosscutting European ideas of previous decades. Interest groups and the public remained weakly engaged, and parties and ministries remained divided. President Mitterrand was free to choose among several alternatives. The focus of these alternatives on monetary policy often restricted French debates to private conflicts among policy-makers, and the accumulated institutionalization of the community model left them looking fairly narrow in historical perspective. Elites fought over variants of what they all called Economic and Monetary Union and its institutional trappings. Yet since they had come so far down the community path, the potential divergence in their next step was perhaps more dramatic than ever before.

Elites with traditional or confederal views—now differing only extremely rarely—agreed that EMS asymmetry called for greater Franco-German monetary coordination. They felt it should be framed, however, in stronger ties between central banks and somewhat extended EMS mechanisms. This might go as far as a *parallel* European currency emitted by a European bank, as the British later proposed. A single currency and European Central Bank evoked the same kind of fears that the ECSC had four decades earlier. Politically, it was too risky to be bound closely to the dominating Germans; the safest plan was to press for coordination while retaining some freedom. Economically, an ECB might be too oriented to strict German-style inflation fighting. Institutionally, if the SEA was now widely accepted, further increases in majority voting or EP powers were to be avoided. Political cooperation was desirable—as it had been since de Gaulle—but the EC institutions needed to be reined in, if anything.

Pro-community French elites in the same parties and bureaucracies shared the same immediate concern with EMS asymmetry, but their way of framing French interests pointed to a much more ambitious solution. They too worried about German political and economic dominance and shared their compatri-

ots' dislike for a rigid anti-inflation policy, but saw full EMU in supranational institutions as the best way forward. Politically, they were more concerned about the risks of a German turn away from the EC than about German hegemony within it. EMU would make EC ties truly permanent. Economically, they tended to emphasize the lower long-term interest rates a solid ECB might bring, as well as the weight a European currency could have in dollar-dominated global markets. Institutionally, they saw some expansion of majority voting and EP powers as reasonable accompaniments to monetary union. They shared all French elites' enthusiasm for foreign and security policy cooperation.

Origins

Superficially, the French push to EMU seemed to spring from a consensual vision of French interests. In fall 1987, the Socialist president called for EMU. In January 1988, the Gaullist ministers ostensibly echoed him. Business groups and public opinion were generally supportive, and EMU attracted little public debate. Yet this consensus was only apparent. A closer look shows that as French leaders turned to monetary plans in 1988, they quickly diverged over their options. Their disagreements cut across right and left and the bureaucracy as well.

The first serious French move was Finance Minister Balladur's memo in January 1988. It responded to two developments. One was the Basle-Nyborg Accord of September 1987, which the French saw as an insufficient step in EMS burden sharing. The other was the Commission's proposal of directives on capital liberalization in November 1987. Both Mitterrand and the Gaullist ministers hoped to block or delay capital liberalization, but they had little support elsewhere in the EC. Besides worrying about capital flight from high French capital gains taxes, they feared freer capital would worsen pressure on the franc in the EMS.[18] Any hint of independence from German policies could spark massive speculation. Balladur's memo thus argued that the consequences of the EMS and the SEA made further integration "the only possible solution."[19] Balladur added in an interview, "The creation of the Single Market, in 1992, and the complete liberation of capital movements are not compatible with the current [EMS] situation."[20] Premier Chirac echoed that without new steps, "it would be better to abolish" the EMS.[21]

These suggestions for new European monetary steps were a major shift in Gaullist priorities, as contemporary observers noted.[22] They pointed directly to institutional "spillover" as their cause. Yet Balladur's proposal did not prefigure later French demands for full EMU. The memo focused on less drastic

18. Pierre Favier and Michel Martin-Roland, *La décennie Mitterrand,* 3 vols. (Paris, 1990–96), 3:70; Hubert Védrine, *Les mondes de François Mitterrand* (Paris, 1996), 416.

19. Cited in Dyson, *Elusive,* 125.

20. *Le Figaro,* January 14, 1988.

21. *Le Monde,* January 9, 1988.

22. *Le Monde,* January 12, 1988.

ways of reforming the EMS and "did not indicate a clear commitment to fundamental institutional reform."[23] According to members of Balladur's Cabinet, the memo's mention of a European central bank and common currency—in the interrogative, as a distant possibility—was a rhetorical appeal to the UDF in the run-up to Chirac's presidential bid in May.[24] Like most Finance officials at the time, Balladur envisioned only narrower exchange rate margins, some pooling of national reserves (finally creating a European Monetary Fund), and more use of the ECU in intra-EC transactions.

President Mitterrand, meanwhile, was developing larger ambitions. His established enthusiasm for monetary steps became concrete plans after his reelection in May 1988.[25] A small group under advisor Élisabeth Guigou began to prepare the French EC presidency (still a year away), with first priority on opening an IGC on EMU.[26] At a Franco-German summit in early June, Mitterrand proposed a deal to Kohl. He would instruct his finance minister (now the loyal Socialist Pierre Bérégovoy)[27] to drop his opposition to the capital liberalization directive; in return, the Germans would accept a high-level EMU committee and some harmonization of capital gains taxes.[28] Kohl agreed and suggested that Delors, who had begun agitating for a single currency in 1987, chair the committee. The deal was struck, over Thatcher's protests, at the European Council in late June.

The distinction between Mitterrand's framing of French interests and the views of many of his compatriots became clearer in the Delors Committee. Mitterrand had hoped for a Spaak-type committee of leaders' representatives; to his chagrin, Kohl and Thatcher insisted on national bank governors.[29] Banque de France head Jacques de Larosière offered a plan like Balladur's, pooling part of national reserves, reinforcing EMS mechanisms, and coordinating central-bank policies in regular meetings. A "common money" could develop in a "later phase."[30] This plan was blocked, however, by the German and British

23. Dyson, *Elusive,* 125.

24. Interviews, Balladur and Chirac Cabinet members, Paris, April–May 1997. The memo read, "The moment is come to examine the possibility of creating a European central bank that would manage a common currency"; Corinne Balleix, "La banque centrale européenne dans le discours politique français," *Revue politique et parlementaire* 974 (1994), 38–45; Balladur article, *Financial Times,* June 17, 1987: "EMS: Advance or Face Retreat."

25. His election platform spoke of monetary union and a "European monetary organism" but not an ECB or single currency. At the European Council in February 1988 he gave strong support to German foreign minister Genscher's call for an ECB and "currency area" (which went well beyond the Balladur memo). Dyson, *Elusive,* 126; interviews with Mitterrand advisors, Paris, April–May 1997.

26. Christian Lequesne, *Paris-Bruxelles: comment se fait la politique européenne de la France* (Paris, 1993), 174.

27. Mitterrand dissolved the Assembly after his victory and won a new Socialist majority. Michel Rocard became prime minister.

28. Eric Aeschimann and Pascal Riché, *La Guerre de sept ans* (Paris, 1996), 46. Védrine, *Mondes,* 417.

29. François Mitterrand, "L'Allemagne, la France et l'Europe," *Revue politique et parlementaire* 952 (1991), 45–52; Aeschimann and Riché, *Guerre,* 87.

30. Favier and Martin-Roland, *Décennie,* 3:162; Aeschimann and Riché, *Guerre,* 88. Interviews.

members, who saw tactical reasons to favor Delors's alternative of a three-stage process to full EMU. Whereas Larosière had called for immediate coordination, little would happen in Delors's first stage. Leigh-Pemberton and Pöhl saw endorsing it, without dating or defining later stages, as a way to preserve the status quo. To be safe, Pöhl also insisted that the later stages be conditioned on major national convergence and reproduce the Bundesbank's independence and anti-inflation mandate.

The resultant Delors Report crystallized the split in France. For Larosière and many Finance officials, Bérégovoy on the left, and Balladur or Chirac on the right, hopes for a less monetarist, more coordinated deal were fading. The report's call for an IGC was an invitation to bargain on the Bundesbank's terms. The Germans had done little to encourage French trust in late 1988, with Kohl reneging on his June promise of tax harmonization during the German EC presidency that fall.[31] In late 1988, Bérégovoy told a journalist that he would stay in office despite Mitterrand's push on EMU but that he would have to leave the government in the event of German reunification: "We would rediscover the Germany of Bismarck with an all-powerful European central bank, independent from the States but basically under the control of German governors." A year later, Balladur privately told the same journalist, "Europe risks to be German with a great market dominated by the mark. . . . We must proceed to a common currency and not a single currency. We must limit the influence of a European bank on national policies which must remain independent."[32]

Yet Mitterrand, his old enemy Giscard, and some Finance officials (like Trésor Director Jean-Claude Trichet) saw the Delors Report differently. Trichet, though closely tied to Balladur, saw full EMU as the most solid foundation for France's economic future.[33] Giscard had recently founded the Association for the Monetary Union of Europe (AMUE) and welcomed the Delors Report. Most importantly, Mitterrand overruled his finance minister to approve the report, reportedly arguing to Bérégovoy, "Paris is for economic and monetary union; the British and Germans have agreed to support the Delors formula; France cannot be isolated on a question of method, even an essential one, when she desires the same objective."[34] As with Guy Mollet's concession of a liberal EEC thirty years before, Mitterrand endorsed an EMU plan on German terms because he saw French interests in a strongly united Europe as outweighing even "essential questions of method."

As these crosscutting disagreements suggest, different French interpretations of monetary interests did not trace to clear domestic-political pressures

31. Aeschimann and Riché, *Guerre,* 48–52; Védrine, *Mondes,* 419.

32. Philippe Bauchard, *Deux ministres trop tranquilles* (Paris, 1994), 48, 115.

33. Trichet directed Balladur's Cabinet in 1986, and Balladur appointed him Trésor director. But according to my interviewees, he was one of the first Finance officials to favor full EMU on German-style terms. Several other individuals in the Trésor and elsewhere in the Finance Ministry also favored the Delors Plan. Aeschimann and Riché, *Guerre,* 69.

34. Paraphrase of Mitterrand in Favier and Martin-Roland, *Décennie,* 3:162; Aeschimann and Riché, *Guerre,* 88.

in 1988–89. Business views formed a permissive consensus without registering specifically in policy-makers' debates. Business supported EMU in principle—with polls showing around 80 percent support—and several French firms had joined Giscard's AMUE.[35] But even firms in the AMUE saw it as a source of information on government activities, not a lobbying channel.[36] Big business saw some promise of lower long-term interest rates in EMU but mostly thought it a "marginal" improvement on their already-internationalized financial arena. Small business, with less international access and ability to hedge against exchange rate shifts, might have expected more benefits—but largely opposed full EMU because it threatened more competition. Export-dependent firms, large or small, feared that a German-modeled EMU would mean an unprofitably high exchange rate.[37] Many also worried that German demands for strict fiscal convergence criteria would slow growth. "Summing up," concludes the most detailed study of French monetary attitudes, "there is no evidence of strong private sector preferences in favor of or against EMU."[38]

French public opinion, too, exhibited shallow support for monetary integration in principle. Polls showed 60–70 percent in favor of unspecified monetary cooperation in 1989.[39] But on neither left nor right did politicians see the technical and liberal EMU project as an electoral winner. In the campaign for EP elections in June 1989, the left ignored EMU, the right avoided it, and the strongly pro-EMU centrist list of Simone Veil was shocked to receive fewer votes (8.4 percent) than the far-right National Front, the Communists, or the Ecologists.[40] The Socialists made little mention of EC goals besides social policies, and their platform expressed reservations on supranational monetary in-

35. Though a longtime Giscard associate told me the AMUE was basically just "a few Parisian bankers who were Giscard's friends." Interview, Paris, May 23, 2001.

36. Kathleen R. McNamara, *The Currency of Ideas: Monetary Politics in the European Union* (Ithaca, 1998), 38. See also the AMUE's publication (written with Commission help), *A Strategy for the ECU* (London, 1990).

37. French firms, especially small- and medium-sized, rely more on short-term and adjustable-rate credit than do German firms, making them less tolerant of tight monetary policies. Claude Borio, "The Structure of Credit to the Non-government Sector and the Transmission Mechanism of Monetary Policy: A Cross-Country Comparison," in *Financial Structure and the Monetary Transmission Mechanism,* ed. Bank for International Settlements (Basel, 1995).

38. This sentence applies even after the 1992–93 EMS crises, before which (the study notes) French business was even less convinced of the appeal of EMU. Christian de Boissieu and Jean Pisani-Ferry, "The Political Economy of French Economic Policy in the Perspective of EMU," in *Forging an Integrated Europe,* ed. Barry Eichengreen and Jeffry Frieden (Ann Arbor, 1998), 49–90; Diane Coutu et al., "Views of the Business Community on Post-1992 Integration in Europe," in *The European Challenge Post-1992,* ed. Alexis Jacquemin and David Wright (Cambridge, 1993), 47–80.

39. Russell Dalton and Richard Eichenberg, "Citizen Support for Policy Integration," in *European Integration and Supranational Governance,* ed. Wayne Sandholtz and Alec Stone Sweet (Oxford, 1998), 250–82.

40. Gérard Le Gall, "Un triple avertissement: pour l'Europe, la démocratie, et les Socialistes," *Revue politique et parlementaire* 942 (1989), 45–56; Paul Hainsworth, "France," in *The 1989 Election of the European Parliament,* ed. Juliet Lodge (London, 1990), 126–44; Colette Ysmal and Roland Cayrol, "France: The Midwife Comes to Call," in *Choosing Europe? The European Electorate and National Politics in Face of Union,* ed. Cees van der Eijk and Mark Franklin (Ann Arbor, 1996), 115–36.

stitutions.[41] The right largely agreed that electoral incentives pointed to burying their different views on Europe. Giscard volunteered to lead an RPR-UDF list with a vaguely pro-European platform. This "unnatural alliance" was accepted reluctantly by hard-line Gaullists and rejected by the most pro-community UDF members, who formed Veil's list.[42] Veil's failure, and record abstention of 50.1 percent, demonstrated Europe's still-feeble electoral appeal.

The origins of the French push to EMU underscored lasting differences in elites' views of their interests in monetary affairs. Most did not see economic or institutional pressures or Commission salesmanship as dictating support for full EMU. They preferred more modest central-bank coordination or (especially later) a "common currency." Public opinion allowed for pro-EMU strategies, but politicians agreed that right–left dynamics made strong positions on crosscutting European issues electorally dangerous. Yet for Mitterrand—sure of six more years in office, and only six—this fragmented support and opposition provided considerable autonomy. He had a historic opportunity to bind France's future into his European project.

Negotiations

It took all of 1989 for Mitterrand to obtain EMU negotiations. The Delors Report came before the European Council in June 1989 in Madrid. Hoping to use the imminent French EC presidency to set EMU on track, Mitterrand called for an IGC beginning in January 1990. Opposition from both Thatcher and Kohl forced him to relent. Thatcher was hostile to everything in the Delors Report, though she agreed to initiate its first stage in July 1990 due to her own internal pressures.[43] Kohl personally supported EMU but worried about its electoral consequences and refused negotiations before the German federal elections in fall 1990. The French obtained only the opening of the first stage in July 1990 and Kohl's promise to set an IGC date at the Strasbourg Council in December.

The French presidency tried to force the pace in fall 1989, creating a High-Level Group on EMU of top officials (the Guigou Group) to prepare the eventual IGC. But Kohl still opposed any decision on an IGC before his 1990 elections. The British, meanwhile, advanced an alternative to the Delors plan that sought mainly to rationalize the status quo without treaty revisions. They argued that full capital mobility would put EC currencies in competition across borders, with market actors choosing to hold the most stable currency. This

41. *Revue Politique et Parlementaire* 939, 3–12; Pascal Delwit, *Les partis socialistes et l'integration européenne* (Brussels, 1995), 102.

42. Quoted phrase by Veil, in Hainsworth, "France," 132. Veil had led exactly such a UDF–RPR alliance in 1984 but now argued that the acceleration of integration ruled out compromise with the Gaullists.

43. Kenneth Dyson and Kevin Featherstone, *The Road to Maastricht: Negotiating Economic and Monetary Union* (New York, 1999), 544–45.

"competing currency" plan did not attract hoped-for Bundesbank support, however, since the German bankers worried that extensive use of the mark outside Germany would undercut control of the money supply. Nor was the Bundesbank in control of German policy-making in any case. At Strasbourg, Kohl agreed to open the IGC on EMU at the end of 1990, as the French had hoped. As at Milan in 1985, a majority vote to convene the IGC bypassed British opposition.

This deal was largely independent of the geopolitical shifts of late 1989 that were the other focus at Strasbourg. There is no reason to deny that the shadow of German unification further encouraged Mitterrand to seek EMU or made Kohl more willing to accept EMU's electoral liabilities. Both leaders expressed these ideas publicly and privately. But French insistence on the IGC and Kohl's support in principle were established well before the events of fall 1989. The French had long expected Kohl to accept an IGC at Strasbourg, as long as it began after his elections. He did so at the opening of the council, before long bargaining over an EC endorsement of reunification in return for German recognition of German–Polish borders.[44] This separation of EMU and unification deals was confirmed in their content; no significant French quid pro quo on unification was made in return for the EMU IGC. In fact, Mitterrand's hesitant efforts to slow unification picked up in early 1990. As Moravcsik argues, the revolutions of 1989 brought neither shifts in French or German positions on EMU nor any politics-for-economics bargain at Strasbourg.[45] The EMU deal was struck on other terms.

Instead, the main effect of the 1989 revolutions in EC bargaining was the creation of the parallel IGC on European political union (EPU). Though usually seen as part of a politics-for-economics deal—a French concession in return for the EMU IGC—the EPU conference resulted from similar (if incompletely overlapping) French and German responses to geopolitical shifts. In December 1989, Kohl began suggesting that EMU talks be accompanied by other EC reform and foreign policy coordination to prepare for the "new Europe." While Mitterrand saw little need for Kohl's institutional priority of extending EP powers, his advisors also began drafting foreign policy projects shortly after Strasbourg. They hoped to parlay the end of the Cold War into French leadership of a "European pillar" in the Atlantic Alliance. From January to March 1990, the two leaders' advisors worked out a Franco-German plan.[46] Foreign policy and defense would be bundled with institutional reform and a European Social Charter into a second IGC. This was proposed in a joint letter to the Dublin European Council in April 1990. Thus the geopolitically driven EPU talks tacked new issues on to the already-initiated EMU process. EPU remained secondary to EMU for Mitterrand, but it was not a concession.

44. Favier and Martin-Roland, *Décennie*, 3:201–11; Védrine, *Mondes*, 423–37.
45. Here I agree with Moravcsik, *Choice*, 437–39.
46. Interviews, the main Élysée advisors.

Just as the geopolitics of 1989 had little to do with Mitterrand's pursuit of EMU, so other French actors did not think they made EMU necessary. Instead, opposition to the Delors plan crystallized in early 1990. After Chirac's loss in 1988 and the touchy RPR-UDF alliance in the 1989 EP elections, Chirac's flirtation with more pro-EC rhetoric was replaced with a strategy designed to deny terrain to the rising far right; he said on television in April 1990 that he was "absolutely hostile" to a single currency.[47] At most, argued RPR documents in 1990 and 1991, France could accept British plans for a *common* currency, emitted by a European bank parallel to national moneys (see below).[48] At the same time, there was "a great debate inside the UDF."[49] The CDS group championed full EMU early on, as did Giscard. But Giscard's core Parti Républicain was as divided as ever on supranationality. Though few members explicitly challenged the ex-president's well-established position, one longtime party insider said that the EMU process provoked "a great deal of questioning" inside the UDF and that many members simply "didn't agree" with Giscard.[50] Not until early 1991 did Giscard impose a UDF position in favor of an ECB and single currency, and most of the party followed "without enthusiasm."[51] The Socialists, meanwhile, entered 1990 in their greatest disarray since the 1970s. Outright opposition to EMU on the party's left was not balanced by equal support on its right. The ostensibly pro-community "mitterrandiste" majority was also riven in highly personalized battles for party control.[52] In a disastrously divisive party congress in March 1990, all that emerged was a compromise for silence on EMU. When the party approved full EMU at the end of 1990, no one mistook this reluctant alignment on Mitterrand's stance for strong enthusiasm.[53]

The most important opposition to EMU continued to be come from Bérégovoy. In mid-1990 the Socialist finance minister seized on a new British proposal for a "common currency." It went beyond the "competing currencies" nonproject by adding a "hard ECU," managed by a European Monetary Fund,

47. Aeschimann and Riché, *Guerre,* 268. Chirac had accepted a good deal of pro-EC rhetoric in the common RPR-UDF program for the EP elections of 1989. This backfired, however, as the Gaullists were left with no message of their own between the UDF and the anti-EC terrain taken by the National Front. Thus Chirac turned back to contest the fringes of National Front territory on European issues. James Shields, "The French Gaullists," in *Political Parties and the European Union,* ed. John Gaffney (New York, 1996), 86–109.

48. Édouard Balladur, *Passion et longueur du temps* (Paris, 1989); see also Balleix, "Banque," 38–41, which cites several RPR statements from 1989 through 1991; Aeschimann and Riché, *Guerre,* 185.

49. Interview, Michel Pinton, Paris, May 23, 2002. Pinton was Giscard's chief domestic-political strategist in the 1970s and a former secretary-general of the UDF but became one of the few PR members to come out publicly against EMU, which led to his being expelled from the party in 1991.

50. Interview, Pinton; Balleix, "Banque."

51. Interview, Pinton.

52. Mitterrand failed to install his protégé Fabius as party head over the objections of two other Mitterrandistes, Lionel Jospin and current first secretary Pierre Mauroy. Favier and Martin-Roland, *Décennie,* 339–50.

53. Delwit, *Partis,* 103–9.

alongside national currencies. If widely adopted, it might become a single currency. For Bérégovoy, this incremental plan saved France from a German-dominated ECB. Similarly minded Finance officials also reissued some of Larosière's ideas in spring 1990.[54] Bérégovoy even kept pushing a common currency when German hostility to the plan (as inflationary and technically suspect) seemed to doom it. In January 1991, as the IGC began, he surprised everyone by calling publicly for a common currency. Mitterrand was furious. The French EMU negotiator—Trichet—quickly reiterated French support for the Delors plan. In a bitter fight at the Élysée, Mitterrand and Guigou argued for a supranational, centralized EMU against Bérégovoy's intergovernmental, incremental British view. Mitterrand instructed Bérégovoy to forget alternatives to the Delors plan. A French account of the fight notes, "This scene illustrated well the gulf that separated François Mitterrand from Pierre Bérégovoy on the European question. For the president of the Republic, Europe was built above all on the Franco-German couple, more importantly than anything else; Europe would never be built if they waited for the British. Bérégovoy could not imagine Europe without the British. . . . This debate between Bérégovoy and Mitterrand was not new, tracing back to the good old days of the SFIO."[55]

The subsequent negotiations were run closely by the Élysée through Guigou, Foreign Minister Roland Dumas, and the bitter but loyal Bérégovoy. Trichet formulated French policy at the technical level. He largely shared German monetarist views and did little to challenge their definition of the final EMU package. Before passage to the third and final stage of EMU, when monetary power would pass to the independent ECB, governments would have to meet five criteria of economic convergence.[56] Trichet himself proposed the criterion that later proved most politically explosive, for annual budget deficits less than 3 percent of GDP.[57] The only major conflict that persisted concerned timing. In fall 1990, Kohl had already overruled his economic officials to accept passage to the second stage in 1994. Thereafter a European Monetary Institute would start laying the organizational groundwork for the ECB. The Germans resisted a deadline, however, for the all-important third stage. They argued that only when a group of member states met all the convergence criteria—whenever that might be—could their currencies fuse.

More confusion arose, meanwhile, over EPU. Since it, unlike EMU, emerged suddenly in early 1990, projects were unprepared and the talks were a bound-

54. Interviews, Trésor officials and Quai director of economic affairs, Paris, April–May 1997. Similar positions were taken publicly by some French economists and business figures: Jacques Riboud, "Lettre à un incrédule," *Revue politique et parlementaire* 940 (1989); Riboud, "Monnaie européenne: les deux conceptions," *Revue politique et parlementaire* 942 (1989).

55. Aeschimann and Riché, *Guerre*, 89–91. Corroborated in interviews with two people present at this meeting.

56. Listed earlier. The debt requirements included slightly flexible language allowing passage to the third stage for states "showing significant progress" and "close" to the 3 percent and 60 percent figures, making them targets rather than cutoffs.

57. Aeschimann and Riché, *Guerre*, 93.

less free-for-all. Most plans were low on substance and high on symbolism. The French proposed the social charter (majority voting on some workplace issues), an EC "defense identity," slightly tighter procedures for foreign policy coordination, some expansion of majority voting and EP powers, and a minor role for national parliaments in EC legislation.[58] For Mitterrand, the important points were social policy and a common foreign and security policy (CFSP). He allowed negotiator Pierre de Boissieu—grandson of de Gaulle, and no fan of supranationality—considerable freedom, though the Élysée set the line on more majority voting and broader EP powers.[59] In the final package, the French acquired a stronger than expected social protocol (facilitated by Britain's opt out) and grand declarations on the CFSP. At Boissieu's suggestion, the new areas of the CFSP and "justice and home affairs" became distinct "pillars" of the treaty, to block Commission, EP, and ECJ influence therein. Overall, the messy EPU deal reflected its roots in a rushed reaction to the 1989 revolutions, and its secondary importance for most actors. It extended EP powers, majority voting, and the overall scope of the relabeled European Union, but leaders' focus on EMU left little political will for substantive steps.

Political will on EMU was the major question at Maastricht in December 1991. Right until the meeting, Mitterrand's advisors were unsure if he would demand a deadline for the third stage.[60] Bérégovoy and most of his officials echoed German arguments that committing to a specific date was too risky. To them, recent developments confirmed this. Germany was dragging Europe into a recession. For electoral reasons, Kohl had insisted that unification bring a one-for-one conversion of the *Ostmark* into D-marks. This inflationary creation of marks led the Bundesbank to raise interest rates in late 1990, just as European growth was slowing. To maintain EMS parities, other central banks had to raise their rates as well. Politically, this was disastrous for the French Socialists. With Assembly elections looming in 1993, unemployment began to grow again. Business complained that French economic fundamentals justified interest rates around 4 percent, not the 9–10 percent dictated by Germany. For many French elites, the situation showed precisely why a German-dominated single currency was a bad idea.

For Mitterrand and other community advocates, the situation displayed the need for a single currency. Only a supranational European central bank, he believed, could restore French influence over their monetary affairs. To the surprise of many at Maastricht, he made an automatic deadline for the third stage

58. A call for EC industrial policies, similar to French plans in the early 1980s, was added later. This came at the insistence of Édith Cresson, whom Mitterrand installed as prime minister in March 1991. French negotiators were exasperated at this, knowing it had no chance of German or British acceptance, and let it die in the talks. Interviews.

59. Boissieu is widely considered one of the most brilliant members of the French administration. Mitterrand, Dumas, and Guigou greatly valued his technical expertise and negotiating skill, but knew that he sought to block "communitarization" (EP powers, majority voting) where possible. Interviews, Boissieu (Brussels, March 4, 1998) and others.

60. Interviews, several advisors and diplomats present at Maastricht.

his central demand. Kohl accepted, to the chagrin of many of his own advisors. If at least eight EC members met the convergence criteria (or made "significant progress"), the third stage would begin in January 1997. If necessary, this could be delayed until January 1999, whereupon any countries meeting the criteria would automatically take the final step. The horrified British again decided to opt out from the latter commitment. As with the ECSC, EEC, and EMS, London acted on the same misgivings about risky policies and supranational institutions present in the minds of many French politicians and bureaucrats.

The French strategic choices that led to the EMU deal in December 1991 had many causes.[61] The broad economic and geopolitical contexts encouraged monetary cooperation. The institutional legacies of the EMS and SEA made these pressures more acute. Even these tighter constraints, however, did not lead French elites to consensual views of their interests in European projects. Their internal debates still displayed a very important spectrum of strategies over which leaders' ideas were decisive. Most of the French right, much of the left, and many of the Finance experts responsible for monetary policies preferred more limited central-bank coordination to full EMU. The selection of the latter resulted from Mitterrand's autonomy in the face of hesitant domestic demands. As one conservative (but pro-EMU) Finance official told me, "God bless Mitterrand, because without him we would never have had monetary union."

HOLDING THE PATH: MAASTRICHT AND *LA PENSÉE UNIQUE*

How did Mitterrand's choice for EMU affect later French strategizing and European outcomes? The Maastricht Treaty was ratified less than six months before the Gaullist right returned to power in a legislative landslide. Two years later, Jacques Chirac finally achieved his dream of replacing Mitterrand as president. The Gaullists enjoyed their greatest control of French policies since the 1960s. But despite their earlier attacks on Mitterrand's European choices, French policies after 1992 showed strong continuity. Not only did RPR leaders respect the Maastricht Treaty, they took up an increasingly pro-EMU and pro-EU discourse and even ran major electoral risks to bring EMU to fruition. More broadly, criticism of these policies became so absent in mainstream French politics that extremists denounced *la pensée unique* (uniform thinking) and commentators wrote of "the forbidden debate."[62]

For structuralists, there is no mystery in French continuity after 1992. Just as structural pressures led the French to Maastricht, their EMU path thereafter was "determined primarily by long-term trends in domestic economic policies" or geopolitical givens.[63] Most institutionalist accounts, having concluded that

61. Sandholtz, "Choosing,"

62. Jean-Paul Fitoussi, *Le débat interdit* (Paris, 1995).

63. Andrew Moravcsik, "Idealism and Interest in the European Community: The Case of the French Referendum," *French Politics and Society* 11:1 (1993), 45–56.

institutional pressures strongly determined French choices for EMU by 1991, also give little attention to why France continued moving toward EMU thereafter. But the preceding sections make clear that French continuity does need to be explained. What drove Gaullist leaders who had not seen clear interests in EMU before 1991 to accept this strategy? This section first argues that electoral, economic, and geopolitical constraints do not explain this alignment, then points to the institutionalized expectations that do.

Electorates, Economics, and Geopolitics

The RPR aligned itself on EMU in three steps. The first came in summer 1992, with Mitterrand's referendum to ratify the Maastricht Treaty. Most of the RPR leadership, but not most of its rank and file or electorate, reluctantly supported ratification. This brought a shift in support to the party's anti-Maastricht dissidents, however, leaving its long-run choices ambiguous. The second step came with electoral victories in 1993–95. First Balladur, then Chirac obtained power and rejected temptations to derail EMU. Chirac's adoption of an austerity program to meet the EMU criteria in fall 1995 was the decisive turnaround. The final step came in the legislative campaign of 1997. In an election where anti-EMU positions seemed a sure winner, the most traditional Gaullists began to present EMU as desirable.

Electoral demands had no link to this shift, or a negative one. Maastricht provoked a broad backlash of anti-Europeanism in France. Public approval of the EU declined quickly in the early 1990s. Opinions that France "gained from the EU" fell from over 50 percent in the late 1980s to 27 percent in 1994, and opinions that France lost rose to 29 percent.[64] This trend was strongest on (but not limited to) the right, and Mitterrand called the referendum partly to split the opposition. Pre-vote polls showed a "no" vote hovering around 40 percent in both the RPR and UDF electorates; in the actual vote, 59 percent of RPR supporters voted to reject Maastricht, despite Chirac's endorsement.[65]

For RPR leaders, this trend was complicated by apparent dependence on pro-EMU parts of the UDF for a right majority. But the presidential elections of 1995, which pitted Balladur against Chirac, underscored which factor dominated electorally. For reasons elaborated below, Balladur's term as premier in 1993–95 left him identified with EMS orthodoxy, and he curried pro-EMU UDF support. Chirac paid rare lip service to pro-EMU positions, but his campaign centered on constant hints at *l'autre politique* of EMS exit and lower interest rates. Chirac won going away.[66] After President Chirac then aligned on

64. This accelerated a decline from the mid-1980s. In 1984, 50 percent of French voters prioritized "French interests" over European integration, and 43 percent the reverse; by 1989 this had become 64 percent and 30 percent, and by 1994 77 percent and 19 percent. Gérard Grunberg, "Les Français et l'Europe," *Revue politique et parlementaire* 970 (1994), 20–25.

65. Some sources put the "no" vote as high as 67 percent of RPR voters. In the UDF electorate, the final "no" vote stayed around 42 percent. Byron Criddle, "The French Referendum on the Maastricht Treaty," *Parliamentary Affairs* 46:2 (1993), 228–39; Shields, "French," 99.

66. John Gaffney and Lorna Milne, eds., *French Presidentialism and the Election of 1995* (Brook-

EMU in late 1995, his approval ratings plummeted.[67] Alain Juppé became the least popular postwar premier (beating Raymond Barre) when he announced budget cuts and social security reform to meet the EMU deficit criterion. By 1997, popular hostility to austerity was so clear that Chirac, fearing that EMU-mandated cuts would mean a legislative loss in 1998, called early elections to reconfirm his majority *before* taking these steps. But the new RPR image as EMU champions sold poorly. The left, running on the same kind of ambiguous anti-austerity platform Chirac used in 1995, won a majority. French voters consistently sided *against* their most pro-EMU option in 1993, 1995, and 1997.

Economic pressures, too, hardly encouraged the RPR shift. Skeptics of EMU's economic rationale in 1991 seemed vindicated thereafter. To sustain the EMS parity, French interest rates followed German rates upward into 1993, peaking at 11 percent. Since French inflation was now lower than Germany's, real French rates were over 2 percent higher, peaking at a stifling level of 8 percent.[68] Demand and investment collapsed, pushing unemployment to almost 13 percent, higher than in the 1930s. For the first year since 1945, France's economy contracted (-1.5 percent) in 1993. Economists agreed that France desperately needed lower interest rates.[69] Bundesbank rate cuts in early 1993 let nominal French rates fall under 6 percent, but this was still too high. Consumption, investment, and employment kept falling. Only once further German cuts in late 1993 eased French rates to 4 percent in 1994 did the economy begin growing again, and unemployment shrank slightly. But in early 1995, Chirac's campaign references to *l'autre politique* weakened the franc, leading the Banque de France to raise rates back up to 7 percent by late 1995. The French recovery slowed.

Overall, economic experiences in 1991–95 offered little reason for RPR leaders to endorse EMU. The link to the mark had dragged France through its deepest postwar recession. It was easy (and not incorrect) to blame the Bundesbank—and most French elites did. Business was increasingly critical of the "strong franc"–EMS policy. The hesitant and divided CNPF had taken no position on the Maastricht referendum. In November 1992, a poll of CEOs found that 71 percent preferred to lower interest rates and launch a Keynesian ex-

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field, Vt., 1997); Joseph Szarka, "The Winning of the 1995 French Presidential Election," *West European Politics* 19:1 (1996), 151–68.

67. In October 1995, on the very day Chirac clearly rejected *l'autre politique,* only 14 percent of French poll respondents declared themselves "fairly satisfied" with the president, against 74 percent "fairly dissatisfied." Aeschimann and Riché, *Guerre,* 308.

68. Real French interest rates rose steadily in the 1980s, as inflation decreased and the EMS kept nominal rates high. The German rate hikes caused a further jump from 5 percent to 7–8 percent. Compare this with real French interest rates of around 2 percent in the 1960s, and 0–1 percent in the 1970s. David Cameron, "National Interest, the Dilemmas of European Integration, and Malaise," in *Chirac's Challenge: Liberalization, Europeanization, and Malaise in France,* ed. John T. S. Keeler and Martin Schain (New York, 1996), 325–82; Fitoussi, *Débat,* 50.

69. In 1992, several American economists published a letter to the French government calling for an EMS exit and lower interest rates. Paul Krugman, "Pointing to a Fractious Future," *U.S. News and World Report,* October 5, 1992.

pansion over maintaining the *franc fort* and austerity.[70] By early 1993, business attitudes were unmistakably in favor of an EMS exit and a rapid decrease in interest rates—*l'autre politique.*[71] Business was unsatisfied with Balladur's incremental lowering of rates later in 1993, continuing to push for breaking the franc-mark tie. An anti–*franc fort* lobby of big business leaders strongly encouraged Chirac in his flirtation with *l'autre politique* before and after his 1995 election.[72] Far from rallying to EMU's economic logic, more French elites openly questioned it in 1995 than in 1991.

Nor did RPR readings of geopolitical pressures drive their EMU alignment. Balladur's geopolitical views echoed those of his political father, Pompidou (and his predecessor, Bérégovoy).[73] He began his premiership in 1993 with hopes of British support to counter "German arrogance," of constructing a "Europe of larger dimensions, a confederation associating the countries of the East rather than a Franco-German hard core in which the French would never be the stronger side."[74] His main foreign policy initiative was for a broad European stability pact across Western and Eastern Europe. Chirac had similar misgivings on Germany, and trans-Rhine relations quickly deteriorated after his election in 1995. Chirac's diplomatic team was led by African specialists, weakening the tight relations between Mitterrand's Élysée and Kohl's Chancellery. Relations between Foreign Minister Hervé de Charette (UDF) and new German foreign minister Klaus Kinkel were terrible. Franco-German spats over EMU, Chirac's relaunching of French nuclear tests, and his indiscriminate remarks on early EU enlargement to the East by 2000 and inclusion of Turkey led to speculation in the press about the "end of the Franco-German partnership."[75]

In sum, electoral, economic, and geopolitical pressures did not give RPR leaders new reasons to endorse EMU through the mid-1990s. One expert noted after Chirac's election, "There exists plenty of support, backed by promises of good electoral fishing, for a European policy that would pull back from important existing obligations, EMU among others, to seek space for a less deflationary monetary policy and more job creation. All of these things, in the context of Chirac's predilection for rapid policy and identity changes, make the new president's future positions on Europe difficult to predict."[76]

70. Poll of 402 CEOs by the French business journal *Les Échos,* cited in Aeschimann and Riché, *Guerre,* 160.

71. Champions of *l'autre politique* came from all sectors of the French economy, from finance and banking to heavy industry to food processing, including Peugeot head Jacques Calvet, Alcatel-Alsthom chief Pierre Suard, financier François Pinault (a Chirac intimate), Société Générale head Marc Viénot, and others. Aeschimann and Riché, *Guerre,* 176–83; Bauchard, *Deux,* 127.

72. Aeschimann and Riché, *Guerre,* 236; Bauchard, *Deux,* 180.

73. Balladur entered political life as a Pompidou advisor.

74. Paraphrases of interviews with Balladur in 1993 in Bauchard, *Deux,* 128, 162.

75. Hubert Coudurier, *Le monde selon Chirac* (Paris, 1998), 46, 367–75.

76. George Ross, "Chirac's First Steps and the 1995 French Presidency of the European Union," *French Politics and Society* 13:3 (1995), 18–30.

Institutionalized Expectations and Accepting EMU

What then explains the RPR rally to EMU? Successive RPR leaders approached power with plans to try to renegotiate monetary arrangements. In 1993, Balladur's entourage formulated secret plans to threaten an EMS exit unless the Germans lowered interest rates.[77] In 1995, Chirac's advisors also drafted secret projects for devaluation and lower interest rates.[78] Until the campaign of 1997, when he became a leading candidate for prime minister, Philippe Séguin argued for even more dramatic breaks with the *franc fort* policy.

The pressures that led Balladur, Chirac, Séguin, and their colleagues to drop these plans derived from the expectations engendered in the 1991 deal. The Maastricht commitments altered the expectations of major actors in French coalition building, international markets, and European intergovernmental relations. In each of these arenas, actors who would not and could not have forced anti-EMU French leaders to push forward to strike such a deal became major obstacles to moving *backward* away from it.

If electoral trends pointed away from EMU after 1991, coalition building made it difficult for RPR leaders to follow them. They had recognized since 1984 that their dependence on UDF allies required at least lip service to a pro-EC discourse. This pressure was not strong enough to change RPR positions on forward steps; despite adopting more pro-EC rhetoric, even moderates like Chirac and Balladur (let alone Séguin, Charles Pasqua, or Michel Debré) had openly opposed the SEA and Maastricht. But just as chapter 6 argued with respect to the SEA, pro-community UDF members gained new leverage from the Maastricht Treaty to prevent RPR steps backward. Before Maastricht was signed, pro-community conservatives had little basis to denounce EMU skeptics; there were still plausible arguments to be made for other European arrangements. After the treaty's signature, however, they could denounce opposition to Maastricht as opposition to Europe. (Opposition to EMU also became opposition to monetary orthodoxy, as discussed below.) The pro-community right could criticize their allies for plans to renege on legal agreements and destabilize a hard-struck European bargain. Moreover, they could premise coalitional support on respect for a specific set of policy commitments.

It was this pressure from a small minority of the right that drove the first step in the RPR alignment. Chirac and Balladur confronted a difficult situation when the Maastricht Treaty came up for parliamentary and popular approval in 1992.[79] They knew that most RPR members and voters opposed the treaty, but they felt that a fairly cohesive RPR-UDF front was necessary for elections in 1993 and 1995. In the Assembly, they failed to persuade the whole right to abstain. Most of the UDF voted for the treaty, and the RPR "ultras" voted against

77. Aeschimann and Riché, *Guerre,* 186–89.

78. Ibid., 284.

79. Ratification came with the referendum of September 20, but first Parliament had to pass constitutional revisions in May and June.

it.[80] UDF leaders raised the stakes as the referendum approached, saying they would oppose any future presidential candidate who opposed the treaty.[81] Chirac left his position undefined as long as possible and then announced on July 4 that he would vote to ratify "without enthusiasm, but without soul-searching," while admitting that "a very large majority" of his electorate opposed this view.[82] Balladur delayed even longer, finally saying on July 15 that a "no" vote would be "contrary to French interests." Thereafter the RPR leadership took a very low profile, leaving members to choose their own positions. Séguin and Charles Pasqua—otherwise enemies, from the RPR's left and authoritarian right—led the campaign for the "no."

After this first rally, UDF members kept up pressure on Balladur and Chirac. According to a Balladur confidant, the main reason he dropped his plans for an EMS renegotiation in 1993 was coalitional dependence on UDF support.[83] The UDF itself was becoming more divided on EMU, with the ultraliberal, monetarist Alain Madelin (in Giscard's own Parti Républicain within the UDF) pushing an EMS renegotiation along with several other Giscardiens, but the party leadership kept the EMU commitment as a basic precondition for a right coalition. In 1995, facing rising electoral hostility to austerity, Balladur intended to leave EMU out of his presidential platform, but UDF centrists demanded he include it.[84] Similar pressure pushed Chirac to a one-sentence endorsement of EMU in March 1995, despite the *autre politique* thrust of his campaign.[85] Giscard and other UDF figures continued to lean on President Chirac as he confronted his economic and European choices in fall 1995.[86]

More important in the RPR alignment after the referendum, however, were altered market pressures. Economist Barry Eichengreen argues that the Maastricht Treaty changed currency speculators' expectations about French policies, increasing speculative attacks on the franc despite its solid economic "fundamentals."[87] The convergence criteria set ambitious targets for French economic policies across the board. If the French met them by 1997–98, they

80. In the major Assembly vote on May 13, 77 of 89 UDF deputies voted for the treaty, 31 RPR deputies voted against, and 88 RPR deputies abstained. In the final vote of a combined constitutional congress of the Assembly and Senate in late June, the RPR persuaded all of its members not to attend, but the damage was already done. Andrew Appleton, "Maastricht and the French Party System: Domestic Implications of the Treaty Referendum," *French Politics and Society* 10:4 (1992), 1–18; Shields, "French," 96.

81. *Le Monde,* June 23, 1992. Note, also, that the UDF had a substantial anti-Maastricht minority, including some figures close to Giscard like Michel Poniatowski, one of his most powerful ministers and advisors in the 1970s. See Shields, "French," 97.

82. *Le Figaro,* July 6, 1992; *Le Monde,* July 7, 1992. Chirac had also called for a referendum since 1990, making abstention difficult.

83. Interview, a Balladur Cabinet member, Paris, March 6, 1998. See also Aeschimann and Riché, *Guerre,* 195.

84. Aeschimann and Riché, *Guerre,* 185.

85. Ibid., 274.

86. Ibid., 305.

87. Barry Eichengreen, "The Unstable EMS," in *European Monetary Unification,* ed. Eichengreen (Cambridge, 1997), 153–224.

would be bound into similar policies permanently in EMU. Were speculative attacks to undercut French policies enough to derail the EMU timetable, however, French policy-makers would face other incentives. If they could not meet the criteria on schedule because of costs imposed by speculative attacks, incentives to keep trying would disappear. In this way, a speculative attack could be a self-fulfilling switching point between different French strategies. Particularly with the arrival of leaders with known reservations on EMU, speculators began to bet that their own interventions could push French policies into a rewarding devaluation.

In other words, exchange markets, which would have pushed France to fairly strict monetarism in any case, now pressed for specifically pro-EMU monetarist policies. Just as the Maastricht Treaty allowed pro-community politicians to cast opposition to EMU as opposition to Europe more broadly, it led markets to see opposition to EMU as opposition to monetary orthodoxy more broadly. The theoretical link between monetarism and EMU remained weak; many of the business figures, economists, and UDF liberals like Madelin who incited Balladur and Chirac to *l'autre politique* were monetarists who thought France could benefit from simply delinking its orthodox policy from the current European framework (but maintaining that policy). But in practice, the expectations engendered at Maastricht had defined broader market pressures in a more specific direction. Market constraints that had been pushing France to monetarism since the late 1970s were now channeled to push France to a single currency.

As French leaders continually noted, French fundamentals were strong in the early 1990s. On standard measures like low inflation and surplus trade and payments, some observers even thought the franc undervalued in 1992–93. But the Maastricht commitments led market actors to expect that if they knocked French policies away from these targets, major policy change would follow.[88] Paradoxically, this greatly increased the costs to French leaders of incremental movement to more comfortable policies. Their slightest questioning of the EMS and the EMU process provoked speculation. This first became apparent in September 1992, when the weak referendum vote led to attacks on the franc. Its EMS parity was defended only at the cost of 150 billion francs in reserves. Though interest rates then declined quickly in early 1993, speculators attacked again in July. This time 300 billion francs in Banque de France interventions could not defend the EMS parity. To "save" the EMS, its fluctuation bands were widened from ±2.25 to a meaningless ±15 percent. This removed the speculators' most explicit target, facilitating further interest rate cuts in late 1993. But thereafter, speculation on the franc focused on other signs of willingness to push for EMU. When Chirac opened his 1995 campaign by suggesting a new referendum on EMU's third phase, the franc began to

88. Besides showing that this argument matches patterns of government policy-making, Eichengreen provides survey evidence that currency traders saw the situation this way.

slide. Just after his victory, the franc fell when *Le Monde* wrote of his secret plans for EMU renegotiations.[89] It continued to vacillate in summer 1995, as the Juppé government gave no sign of making budget cuts to meet the EMU criteria. At the now-independent Banque de France, new governor Jean-Claude Trichet insisted that interest rates could be lowered further only if budget cuts and EMS continuity were clearly signaled to the markets. After months of hesitation, with Séguin waiting in the wings to replace Premier Juppé and pursue *l'autre politique*, Chirac decided not to risk it. Juppé announced the cuts that would cost him his job, and Chirac committed to the euro at the December 1995 European summit in Madrid. "This time," writes one account, "in Chirac's world [*pour la chiraquie*] the turnaround was complete."[90]

Important new pressures, lastly, confronted RPR leaders in relations with Germany. As with UDF members and currency markets, German demands on the French government were altered by Maastricht. The personally pro-EMU Helmut Kohl was empowered to press Balladur and Chirac to accept what Mitterrand had pursued, using leverage he would not have enjoyed without a prior treaty deal. Dated commitments to EMU's second and third phases had been Kohl's concessions to Mitterrand, not his demands. Had the French not insisted on this in 1991—as Balladur, Chirac, and many others wished—Kohl could not have pushed for it himself. He was barely able to sell it to other Germans when the French were demanding it; presenting it as a German demand was untenable. Once the French made a legal pledge to the dated EMU process, however, Kohl was empowered vis-à-vis both domestic challengers and the French themselves to demand that France hold to it.[91] Respecting the EMU criteria and timetable became Kohl's main precondition for good relations with the new French leaders. Before Balladur was even elected in 1993, he met twice with Kohl, who pushed him for reassurances on his coalition's commitment to the *franc fort* and EMS. In Chirac's first meetings with Kohl in 1995, the chancellor subjected him to "terrible pressure" to make clear his commitment to EMU.[92] According to one of Chirac's top advisors, the main thought in his fall 1995 rally to EMU was that "a French president could not oppose the reality of France's basic international relationships."[93] He was unwilling to be the leader who undercut Europe and the Franco-German partnership, and EMU was now what those ties demanded.

All these pressures, and Chirac's personal acceptance of EMU, carried even the more traditional Gaullists to align on EMU by 1997. Chirac's pro-EMU stance became steadily stronger through 1996, even as the Juppé government weathered a harsh backlash of strikes and demonstrations against austerity. In

89. *Le Monde*, May 18, 1995.

90. Aeschimann and Riché, *Guerre*, 316.

91. For a similar view, see Heisenberg, *Mark*, 187.

92. In late summer 1995, Kohl reportedly initiated a discussion by walking up to Chirac, taking his hand, and saying, "So, do you want to build Europe or not?" Coudurier, *Monde*, 305, 370.

93. Interview, Paris, March 6, 1998.

early 1997, the necessity of further budget cuts to approach the EMU deficit criterion of 3 percent of GDP (from almost 6 percent in 1994–95) brought Chirac to a difficult decision. More cuts would almost certainly doom the right to defeat in the 1998 legislative elections. Thus the president decided to call early elections and then make the cuts with a new majority. This was dangerous for such an unpopular government, but he felt he had little choice but to risk his coalition in order to fulfill the EMU criteria.[94]

As a nod to the electorate, Chirac left little doubt that a new government would be presided over by Séguin. The ironic result was that Séguin—cast as the prospective leader of a push to EMU—finally buried his critiques of the single currency. He had first given signs of accepting EMU in January 1996, the month after Chirac's engagement for the euro. Now, in a campaign wherein Séguin's well-established preferences for more nationalist economic policies were obvious winners (*Newsweek* called the elections "An Invitation to Run against the Single Currency"),[95] the leader of the "historic Gaullists" said that he saw "the euro as an instrument of stability and growth" and praised the analysis of EMU champion Giscard.[96] EMU did not directly dominate the elections, however, since the left too declined to disavow Mitterrand's personal project. New Socialist leader Lionel Jospin (long lukewarm on Europe himself)[97] tried to maintain ambiguity like Chirac's in 1995, setting vague conditions on passage to EMU.[98] This created the impression that the left was more willing to question EMU. Chirac bolstered it by warning of a "European crisis" if the left won.[99] The result—a left victory—surpassed all the blunders of Chirac's career. To implement a treaty he had opposed, Chirac had sacrificed his domestic majority. He was left hamstrung in cohabitation for the remainder of his term.

But Jospin's victory produced no change in French policies on EMU. His Communist and left-Socialist allies muffled their hostility to the euro. Séguin capitalized on Chirac's weakness to take over the RPR party machinery but maintained resigned acceptance on EMU. Alain Juppé, though bitter over his loss, said that he regretted earlier RPR reluctance to be "more frankly European."[100] By mid-1997, only the National Front and splinter groups on right

94. To my knowledge, no one disputes this interpretation of Chirac's decision: "Thus European integration was the justification for the dissolution [of the Assembly]." Coudurier, *Monde*, 384.

95. Michael Eliot, "An Invitation to Run against the Single Currency," *Newsweek*, May 5, 1997.

96. *Le Monde*, May 15, 20, 1997; *Les Échos*, May 15, 1997.

97. Jospin began his career in the mostly Euro-skeptical diplomatic corps.

98. The PS "conditions" were Italian and Spanish participation, more EU social policy, an "economic government" to set policy alongside the European Central Bank, and avoidance of an overvalued euro. But the PS platform also noted it was "the party of François Mitterrand and Jacques Delors," and Jospin repeatedly downplayed the conditions, saying he foresaw "no real difficulties" in agreeing with President Chirac on the subject. Left-wing Socialist Jean-Pierre Chevènement and Communist leader Robert Hue described themselves as "perfectly coherent" with Jospin on EMU, with no details. *Le Monde*, May 3, 15, 20, 22, 1997.

99. *Le Monde*, May 22, 1997.

100. *Le Figaro*, January 11, 1998.

and left actively advocated anything other than implementing EMU. The institutional construction of French interests in a quasi-federal European Union—with an independent European central bank, a single currency, a profoundly liberal Single Market overseen by a powerful supranational executive, and a European Parliament with rising influence—was complete.

CONCLUSIONS

Why did France and Europe enter Euroland? A combination of economic, geopolitical, and institutionally generated concerns pushed almost all French elites to see some further European monetary coordination as desirable in the late 1980s, but none led them to converge on a specific European strategy. Nor did the pattern of their disagreements trace to party, bureaucratic, or sectoral interests within France. Instead, as in previous steps in European institution building, French actors in similar material positions followed different ideas to different strategies. Mitterrand and his onetime greatest rival, Giscard, connected French problems to the supranational solution of a single currency and an ECB. Left-wing Socialist Bérégovoy and right-wing RPR baron Balladur framed the same situation in confederalist fears of Germany and supranational control and looked to the British-inspired alternatives of "competing" or "common" currencies. Traditional politicians like Pasqua on the right, Séguin toward the center, or Chevènement on the left took an approach to these issues that was based in national independence and wanted nothing more than cooperation between national central banks.

The alternatives to full EMU advocated in France were clearly viable electorally, economically, and diplomatically. Votes in 1989 and the 1992 referendum showed little (if any) direct support for EMU, and its support only fell in elections in 1993, 1995, and 1997. Economists and business figures drew attention to EMU's economic flaws before and after Maastricht, particularly in the perverse twists and turns after German reunification. Even Moravcsik allows that the EMU deal stands out as a partial exception to his economic approach.[101] Diplomatically, no one was going to demand full EMU on a dated schedule unless the French did. British enthusiasm would have increased as French institutional ambitions decreased. The Germans only barely accepted a dated EMU as it was. Helmut Kohl needed French complicity to force EMU past his domestic challengers. Had the French themselves rejected this outcome, the chancellor would likely have focused his Euro-enthusiasm on the kind of less substantively important steps that animated the conference on political union.

In terms of potential European outcomes, the two clear options were the poles of French debates. Middle-ground confederalist hopes for a common currency were not promising in light of German skepticism; French pursuit of

101. Moravcsik, *Choice*, 470.

them would almost certainly have defaulted to the more traditional option of a reinforced EMS. Thus had France chosen any strategy other than a push for full, dated EMU, European outcomes would have landed at the other end of the spectrum debated in Paris. Euroland would not exist. The EC would still represent the greatest experiment in international institution building, but Western Europe would look considerably more like the rest of the world than it now does.

Instead, the community ideas of François Mitterrand set France and Europe on the EMU path. Given autonomy by divided political coalitions, hesitant interest group demands, and an ignorant electorate, the president engaged France in an elaborate new set of commitments. Those commitments then changed the context for French policy-making. Markets linked EMU to the monetarist policies they expected of the French government, focusing the formidable pressures of global currency flows on the specific policies leading to a single currency. The pro-community minority in the French right defined their coalitional demands around insistence on the EMU schedule. Kohl gained leverage from the treaty commitments to press French leaders to monetary union. The resultant constraints may not have been inescapable, but they were the very real reasons that drove Balladur, Chirac, and Séguin to accept a Europe they had opposed.

In this way, the institutional construction of interests set the most recent major touches on the definition of French interests in Europe. That process, propelled at each step by ideas and consolidated by institutions, had transformed a deeply divided France into the country of a *pensée unique* framed in supranational institutions. Most importantly, traditionalists and confederalists had greatly altered their worldviews since 1950. If they perceived their evolving positions as wholly rational and consistent—responding, in their minds, to very real constraints—an increasing part of those constraints derived from the institutional context constructed by their pro-community peers. The policy choices they advocated reflected a very different "rationality" by 1997, in which attachments to sovereignty and control had been crowded out by reflexes to cooperative problem solving. French interests were permanently embedded in the community model.

CONCLUSION

Ideas into Interests

> Each man's experience begins again. Only institutions learn; they accumulate collective experiences. From this experience and wisdom, men subjected to the same rules will see not their nature change, but their behavior gradually transformed.
>
> HENRI-FRÉDÉRIC AMIEL
> (cited in Jean Monnet, *Mémoires*)

In 1947, despite a spreading rhetoric of "European union," almost all French elites saw their current and future choices in Europe in national terms. France could and should set its own priorities in all policy areas. "Europe" had no substance besides alliances and bilateral ties emanating from national governments. In 1997, European rhetoric had become reality. Almost all French elites saw their choices as irrevocably bound in the supranational institutions of the European Union. Their monetary sovereignty had been delegated away. Their fiscal policies lay within explicit constraints. French choices in a large number of other major policy areas depended either wholly or partly on approval by non-French actors. The people who invented state and nation had stepped beyond both.

The EU was still open to contestation in French politics in 1997. Traditionally nationalist Gaullism or Jacobinism had not disappeared, at least rhetorically. An Anglophilic strain of confederal pragmatism still viewed supranationality with a skeptical eye. But such thinking was generally voiced as loyal opposition, not advocacy of real change. No coherent alternatives to the EU were advanced by French elites. No mainstream politician proposed exiting monetary union, the Single Market, or any other element of the EU. Extremists were the exceptions that proved the rule.[1] For the foreseeable future, French strategies were set solidly within the EU framework.

I have argued that the transformation of French strategies in Europe (and of the debate about them) from 1947 to 1997 reflects the institutionalization of one set of ideas about French interests. This argument challenges conventional views of French choices as direct responses to structural imperatives or to an institutionally path-dependent variant on them. It also suggests a very political way to think about ideas, institutions, and the construction of interests.

1. Jean-Marie Le Pen's presidential campaign in 2002 made this point nicely, lumping an EU exit together with a wide range of taboo-breaking anti-establishment plans.

At the broadest level, it logically implies a revision of prevailing standards for social science theorizing. This chapter summarizes these three contributions.

THE RELATIVE CAUSES OF EUROPEAN INSTITUTION BUILDING

The preceding chapters sum to a survey of the relative weights of structural, institutional, and ideational causes in European institution building, as seen from the central vantage point of French elites. As the introduction emphasized, this weighting is extremely conservative with respect to ideas. I attribute causal impact to ideas only where their effects are most clearly demonstrable in crosscutting patterns of mobilization and rhetoric, disregarding effects that are potentially much broader but are more difficult to assess. Furthermore, I make claims about the impact only of certain ideas about Europe; other ideas may have been influencing these same choices, such that the causal impact of ideas as a category was much more extensive. In other words, I have been exceedingly generous to competing approaches, allowing that any broadly perceived trends or mobilization along preexisting organizational lines trace unproblematically to objective structural or institutional conditions. Such generosity is almost certainly ill founded; practically any decision in postwar Europe reflected assumptions from ideas about the nation-state, the market, democracy, and many other things. Nonetheless, I continue in this vein in this final summary. I take the natural environment, the distribution of resources, and the basic organization of postwar Europe as objectively "structural" conditions. I take widely perceived problems or pressures generated by particular organizational arrangements as objectively "institutional" conditions. To what extent did structures, institutions, or a certain idea of Europe select the outcome of today's European Union?

Things we might conservatively call "structures" in postwar Europe may explain, in Kenneth Waltz's phrase, "a small number of big and important things."[2] The global distribution of military power, the distribution of economic resources in European and international markets, and the fundamental organization of European political authority ruled out a wide range of actions and channeled Europeans toward certain kinds of cooperative behavior. Economic interdependence was high and growing by any measure. The geopolitical lessons of two world wars and Cold War pressures pointed to cooperation. We can reasonably say that these broad trends ruled out hostile intra-European relations and wholesale protectionism, since by the late 1940s all mainstream elites in France and elsewhere were advocating some variation on cooperation and even (eventual) liberalization. At the same time, the basic organization of European politics in nation-states put limits on the kinds of cooperation that could emerge from the 1950s. Despite much rhetoric, no major

2. Kenneth Waltz, "Reflections on Theory of International Politics: A Response to My Critics," in *Neorealism and Its Critics*, ed. Robert Keohane (New York, 1986), 322–46.

national figures genuinely advocated the quick creation of a federal United States of Europe. Neither politicians nor bureaucrats who actually held power were ready to give it up in a radical way. It was between these two structurally defined poles that the French debated various institutional projects.

In addition to setting the broad stage for cooperation, structural conditions largely prioritized its policy areas. Whatever their ideas on European institutions, French elites agreed on the main substantive challenges or crises that called for European cooperation in each decade. At the end of the 1940s they perceived pressing problems in coal, steel, industrial trade, and European financial relations. Defense and agriculture were added in the early 1950s. Atomic energy, industrial trade, agriculture, and transports were the widely recognized agenda by the mid-1950s. Agriculture and industrial trade dominated the 1960s. Monetary issues took over in the late 1960s and 1970s. Industrial policy, high-tech sectors, and liberalization were the broad French priorities in the early to mid-1980s. Liberalization and monetary policy were the focus in the late 1980s and early 1990s. The only partial exceptions to this consensus on substantive priorities in cooperation were atomic energy in the 1950s (where some elites ruled out cooperation on principle) and liberalization at several points (where differences largely reflected the broad right–left cleavage). Overall, given membership in French culture (here subsumed into "structure"), and with some allowance for right–left differences, the basic French policy challenges were consistently fairly clear.

Not even the most generously defined structural conditions can account for the political response to these challenges, however. Not only did prominent objective trends not favor a community Europe over traditional or confederal alternatives in the 1950s, they made a tightly institutionalized, supranational community *less* likely over time. In European bargaining, a supranational "little Europe" resulted from the ephemeral combination of French weakness and British indifference in the 1950s. Once France's recovery had erased its leverage, and once the British had recognized the continent's growing economic importance, a weakly institutionalized free trade accord would have been the increasingly likely outcome. Agriculture—rapidly becoming less important to European economies—would have stayed a national problem. In the 1970s, 1980s, and 1990s, the structural need for strong central institutions arguably became still less clear. Given a medium-term trend to unilateral liberalization and convergence on monetarism across Europe, the functional need for central coordinating institutions could have been expected to decrease. Thus it is unsurprising that even given the EEC's consolidation in the 1960s, most French elites in later decades still did not spontaneously equate a convergence in economic policies with more supranational institution building. Overall, structures substantially narrowed the potential variation in postwar European history—ruling out huge things like intra-European war or socialist revolutions, and indicating policy areas for cooperation—but did little to define the course of European institution building itself.

Things we might conservatively call "institutions"—an objective organizational obstacle course, distinct from ideas—also contributed to the EU story but did not dictate any particular outcome.[3] As institutionalists expect, the new allocation of resources, rights, and obligations resulting from each European treaty deal strongly affected subsequent interaction. Yet the key contribution of such factors was in a backward sense, foreclosing earlier alternatives rather than pushing the French or anyone else forward along a particular path. Institutional dynamics, whether "spillover" or supranational entrepreneurialism (itself an "institutional consequence" of previous arrangements that empower supranational agents), almost never generated widely acknowledged pressures forward. Only pro-community national leaders seemed to perceive earlier community steps as "requiring" more of them. Leaders like Charles de Gaulle, Georges Pompidou, or Jacques Chirac (to say nothing of Margaret Thatcher) were more provoked than persuaded by supranational lobbying. They grudgingly accepted inherited community institutions but remained unconvinced of the need for more such projects.

At no point in the 1950s, 1960s, or 1970s did institutional path dependence generate any broad forward pressure in integration. As chapters 2 and 3 showed, the original neofunctionalist argument that the ECSC led Europeans to the EEC is hard to defend. The ECSC opened a political battle and had little to do with its resolution. Its narrow sectoral rules impinged little on issues beyond coal and steel. In France, literally no one came to favor community-style integration as a result of experience with the ECSC; instead, the ECSC galvanized hostility to supranationality among many politicians and interest groups, as was explicit in the fights over the EDC and EEC. Similarly, if Jean Monnet played an initial role in the "relaunch" of 1955–57 that led to the EEC, this was not because he held an institutional post as the supranational agent of the ECSC (which he lost in 1955), but because he was Jean Monnet, a well-connected French bureaucrat with remarkable persuasive abilities. After the creation of the EEC, de Gaulle underscored that if the extended community institutions were difficult to alter, they did not require further supranational developments.[4] This was confirmed by the long hiatus in institution building under de Gaulle and Pompidou, neither of whom perceived community-style enhancements of the EEC as necessary. Two decades later, in the approach to the SEA, many elites were still not persuaded (by spillover, supranational entrepreneurs, or anything else) that new institutional steps were necessary. The European Commission was able to play a role in "recasting the European bargain" only because certain national leaders decided on their own to move forward institutionally.

3. Here I refer to what Frank Dobbin calls "institutional realism." Dobbin, *Forging Industrial Policy: The United States, Britain, and France in the Railway Age* (New York, 1994), 9.

4. The development of EC law stands out as an exceptional area where "supranationalization" did move forward with its own dynamic, as neofunctionalists predicted more generally. See the excellent work of Anne-Marie Burley and Walter Mattli, "Europe before the Court: A Political Theory of Legal Integration," *International Organization* 47 (1993), 41–76.

Only in the late 1980s did a wide variety of elites agree that institutional pressures made new steps in integration necessary. By 1988, even Gaullists argued that further monetary coordination mechanisms were needed to make the EMS work. Even with the formidable lobbying efforts of the Delors Commission, however, this forward spillover had only diffuse effects. French elites still advocated a variety of strategies, some (like tighter central-bank ties) much less institutionally and substantively significant than others (like full EMU). Overall, like most institutional theories, purely institutionalist accounts of the EU explain better why change did not happen than why it did. Institutional constraints made the community project increasingly difficult to dismantle or reorient, but no widely perceived institutional dynamic forced France and Europe to take specific steps.

Amid indeterminate structural trends and weakly dynamic institutions, then, French elites were free to choose European arrangements ranging from standard intergovernmental cooperation to a supranational federation. Over this terrain they fought a historic battle of ideas. The postwar landscape offered a new mix of signals that were difficult (but far from impossible!) to interpret through a traditional model of French interests. Drawing on causal analyses and notions of legitimacy that bore no direct relation to the major right–left cleavage in France, elites elaborated confederal and community models of French interests in the late 1940s and early 1950s. Since similarly placed individuals responded differently to these new packages of ideas, positions on Europe came to cut across domestic coalition building. This fragmented the aggregation of domestic demands, giving leaders autonomy to pursue their preferred model when unrelated electoral competitions installed them in power, and the ability to assemble post hoc ratifying majorities. Over five decades, episodic community initiatives altered institutional constraints more aggressively than did traditional or confederal steps, and drew strength from ingrained legal norms and a simplistic connection to monetarist doctrine. Competing ideas based on national sovereignty were crowded out. A minority agenda was consolidated into the framework of today's Europe.

Two final points complete my overview of this process. First, today's EU does not quite represent the supranational pole of the spectrum of historical options. Although community ideas "won" on several fundamental counts, this Europe resulted not from a constant pro-community strategy but from vacillation between community, confederal, and traditional projects. Periods of confederal or traditional leadership were not without effect; at the very least they slowed progress toward supranationalism, and they sometimes left legacies that boxed it in somewhat (the Luxembourg Compromise being the most obvious example). In other words, had unrelated electoral competitions installed more continuous pro-community French leadership, Europe might look still more like a supranational federation today. Given a heart attack or two and some plausible coalitional reshuffling, such leadership might have saved the EDC, or perhaps the Werner Plan. The end of the millennium might have seen a Europe with even more powerful international institutions.

Second, if the EU is built around a community-style architecture, its many policy areas exhibit varying levels of supranationalization (or federalism). Many economic policies are quite strongly federal (with monetary policy as the extreme), but areas like internal security or foreign policy and defense are hardly supranationalized at all. This is a normal feature of multilevel governments—all states allocate power differently between central and subnational actors across sectors—but the particular pattern of EU powers needs explanation. I noted earlier that the prioritization of policy areas in European debates falls outside my battle of ideas; whatever their ideas about Europe, French (and other) elites saw pressing problems in coal and steel during reconstruction, in agricultural and industrial trade in the 1950s, in monetary policy by the late 1960s, and so on. In my conservative terms, structural conditions explain the relative strength of EU institutions across policy areas. To step outside that self-imposed conservatism briefly, however, it seems likely that other ideas and norms helped shape sectoral variations in the EU. Debates over European projects were constrained by other norms designating certain delegations of sovereignty as more or less acceptable—most obviously along "low politics" and "high politics" lines. Though I show that similar battles of European ideas occurred with respect to practically all functional issues, the breadth and terrain of debate varied within this larger normative apparatus. The options debated in foreign policy cooperation were narrower than those debated on most economic issues, for example, and shifted en masse toward a defense of sovereignty.

This underscores a more general point about the relative nature of ideas as causes. To say an actor believes in "capitalism" or "democracy" never means that she pursues certain principles to the exclusion of all else. It is a relative claim that she will emphasize certain goals and strategies in situations where a devotee of socialism or monarchy would weigh priorities differently. Similarly, pro-community actors are not utopians who always want as much supranationalism as possible in all sectors. They stand out for consistently employing a certain kind of logic to argue for a certain kind of project across all aspects of European relations, though the timing and strength of their commitment on specific policy issues reflect a variety of structural conditions and institutionalized norms. As I have emphasized throughout this book, the French battle of ideas decided European outcomes across a vast range of possible outcomes—but material structure, institutions, and other ideas were crucial in shaping the battlefield.

AGENCY, CONFLICT, AND POWER IN THE CONSTRUCTION OF INTERESTS

This study is about how the institutionalization of ideas structures politics. It is inspired by comparativist work on the role of ideas in constructing political coalitions and by IR scholarship on social construction. I mostly use the vocabulary of the former, due to their focus on fairly discrete policy ideas, but the

latter's terms are more appropriate to the overall scope of my argument. French action (with others) created the EU, and the EU has defined how French leaders see their interests. Today's France and the institutional structure of Europe are mutually constitutive.

These literatures share some soft spots, however, which my argument may firm up. I have already pointed to the "how much" problem in ideational causality and suggested one partial solution. Another problem (hinted at in the introduction as well) is that most contributions to these literatures support only pieces of their perspective. That perspective suggests that all political arenas are built on certain ideas. Yet scholars have tended to focus separately on displaying action based on ideas, or on institutionalized ideas as the established structure of an arena, and much less on the crucial connecting story of how ideas come to structure action in a lasting way. Comparativists have made their contributions mostly on the first step, showing that actors hold certain ideas. Though Peter Hall, Kathryn Sikkink, Kathleen McNamara, and Shari Berman all emphasize that ideas matter most when they become institutionalized, they focus almost exclusively on the initial "carriers" of certain ideas, not on how other actors align on new ideas.[5] Constructivists have contributed mostly to the last step, showing that institutionalized ideas or norms structure behavior. In the work of Alexander Wendt, Martha Finnemore, Peter Katzenstein, Audie Klotz, and others, "the causal arrows flow primarily from [normative] structures to agents."[6] To the extent that they trace how norms become structure, they too focus on "carriers" of new norms more than on the alignment of major "non-carrier" actors.[7] One self-critique concludes, "[A]bout the *process* of identity construction, these authors have little to say."[8] These scholars deserve tremendous credit for illuminating the point of departure and results of the construction of collective interests, but they offer only general views of how that process actually happens.

Moreover, in underemphasizing why "non-carriers" align on new ideas, com-

5. For a similar criticism, see John Kurt Jacobsen, "Much Ado about Ideas: The Cognitive Factor in Economic Policy," *World Politics* 47 (1995), 283–310. Nicholas Ziegler focuses on the socialization processes by which professional groups in France and Germany adopt certain "identities," but this occurs within a very specific set of organizational ties. J. Nicholas Ziegler, *Governing Ideas: Strategies for Innovation in France and Germany* (Ithaca, 1997).

6. Jeffrey Checkel, "The Constructivist Turn in International Relations Theory," *World Politics* 50 (1998), 324–48. Other arguments in Peter Katzenstein, *The Culture of National Security* (New York, 1996), focus more on the first task of showing that action is based on ideas, like Elizabeth Kier's "Culture and French Military Doctrine Before World War II," 186–215.

7. This problem is common in arguments about "entrepreneurs" and "epistemic communities." Far more attention is paid to the carriers of new ideas or norms (often politically marginal actors) than to the major actors that align on them. Martha Finnemore, *National Interests in International Society* (Ithaca, 1996); Emmanuel Adler and Peter Haas, "Epistemic Communities, World Order, and the Creation of a Reflective Research Program," *International Organization* 46:1 (1992), 367–90; Audie Klotz, *Norms in International Relations: The Struggle against Apartheid* (Ithaca, 1995). For similar critiques, see Checkel, "Constructivist," 332; Jacobsen, "Much," 292.

8. Paul Kowert and Jeffrey Legro, "Norms, Identity, and Their Limits: A Theoretical Reprise," in Katzenstein, *Culture*, 451–97. Original emphasis.

parativists and constructivists have tended to present this crucial connecting process as relatively apolitical and consensual. The introduction of new ideas is shown to be the very political work of leaders or entrepreneurs, but the subsequent construction of group interests around those ideas seems to arise through uncontested persuasion or conversion. "For an economic model to become consolidated," writes Sikkink, "a high level of consensus must emerge around the new model." For Berman, carriers are effective if they "build a consensus around an idea." McNamara suggests that the uncertainty that makes room for new ideas can "depoliticize" the policy process; she describes a smooth shift to a seemingly seamless "neoliberal consensus" in today's Europe.[9] This emphasis is even more pronounced among constructivists and sociological institutionalists, where norms often spread through "a simple process of social diffusion."[10] Entrepreneurs and epistemic communities seem to gain influence largely because powerful actors are ignorant or unconcerned about their issues.[11] The overall result is an ideational literature that sometimes seems to downplay agency, conflict, and power in favor of almost osmosis-like mechanisms.

Such mechanisms are important in the spread of ideas and norms. But they are not the sole mechanisms in the construction of interests, and perhaps not even the most prevalent ones. Pioneering ideational arguments may have needed to separate ideas starkly from traditional emphases on the conflictual pursuit and exercise of power, but this divide now blocks their development. As many of these same authors note in passing, ideas matter most when espoused by those with power—presumably because they can press other actors to align on their ideas. Spelling out the mechanisms by which this happens will build the strongest possible case for ideas' causal impact. My story displays one possible route. Ideas can be built into interests through an openly conflictual process of aggressive leadership, political maneuvering, and leveraging off of intergroup relationships. If most French confederalists and traditionalists no longer question their EU context, this is more because they were presented with a series of political faits accomplis than because they were ever directly persuaded that this EU was desirable. Their pro-community compatriots seized opportunities to make new pledges to France's partners and (in monetary policy) to raise new expectations in powerful financial markets. Confederal and traditional dissidents accepted that these new expectations outweighed their earlier

9. Kathryn Sikkink, *Ideas and Institutions: Developmentalism in Brazil and Argentina* (Ithaca, 1991), 2; Sheri Berman, *The Social Democratic Moment: Ideas and Politics in the Making of Interwar Europe* (Cambridge, 1998), 25; Kathleen R. McNamara, *The Currency of Ideas: Monetary Politics in the European Union* (Ithaca, 1998), 8. Sarah Mandelson's work seems an exception at first, emphasizing that Gorbachev's "new thinking" won because its proponents aided their own supporters and disempowered their opponents within Soviet institutions. But she does not make clear how new thinkers got into power in the first place without such supporters. Sarah Mandelson, *Changing Course: Ideas, Politics, and the Soviet Withdrawal from Afghanistan* (Princeton, 1998).

10. Kowert and Legro, "Norms," 474.

11. Jacobsen, "Much," 303.

preferences for alternative arrangements. Even powerful leaders like de Gaulle or Chirac recast their strategies and rhetoric to present the new Europe as "in their interests." Again, I cannot tell if any step in this reorientation was "rational" or not. But the dissidents' cumulative shift from the 1950s to the 1990s is difficult to describe as anything other than a transformative reconstruction of basic interests.

The European interests of most French elites, then, have been redefined not by the direct diffusion of ideas, but by their rationalization of a series of hard-to-alter changes in their main relationships as necessary (or even desirable, as in Chirac's eulogies to EMU). They faced those changes because the pro-community minority occasionally gained the autonomy to make them. The ideas that inform interests in many arenas may be constructed in similar ways. Actors orient their thinking on certain ideas not because they are directly persuaded to value them, but because they are placed before a fait accompli that they come to accept as an unalterable part of the institutional context. This makes the construction of interests into a properly political story.[12] Instead of becoming "infused with value" through persuasion, certain strategies become "taken for granted" because certain actors are outmaneuvered (or ignored) by others who leave them facing altered expectations.[13] The former rationalize adjustments to their strategies as necessary; over time, arguments for alternative strategies are forgotten. Instead of owing their legitimacy to the spread of a positive consensus in their favor, major institutional frameworks often "rest on defeated and repressed alternatives."[14] Beneath the EU lie the moldering bones of the Europes of de Gaulle and Mendès France. Already those bones are turning to dust.

This more contested mechanism in the construction of interests also suggests a more differentiated view of the results. While constructivists have always presented ideas and norms as intersubjective and largely external to individuals (i.e., not strongly internalized), their empirical emphasis on diffuse conversion seems to suggest a result of genuine internalized consensus. Direct persuasion means that in their own heads, members of a group end up with

12. Given a traditional use of "political," meaning competition for influence over outcomes between actors with consciously different agendas. I do not mean to imply that persuasion and conversion are not crucial parts of politics.

13. This change from seeing institutionalized norms as taken for granted rather than as infused with value is the key shift from the "old institutionalism" of Philip Selznick in organizational sociology to the "new sociological institutionalism" summarized in Paul DiMaggio and Walter Powell, "Introduction," in *The New Institutionalism in Organizational Analysis,* ed. Powell and DiMaggio (Chicago, 1991), 1–38. It runs parallel to a shift in cultural studies more broadly in which culture is viewed no longer as "shared values" but as "practices." On the move to practice theory, see Pierre Bourdieu, *Outline of a Theory of Practice* (Cambridge, 1977); Ann Swidler, "Culture in Action: Symbols and Strategies," *American Sociological Review* 51:2 (1986), 273–86; Steve Derné, "Cultural Conceptions of Human Motivation and Their Significance for Cultural Theory," in *The Sociology of Culture: Emerging Theoretical Perspectives,* ed. Diana Crane (Cambridge, 1994), 267–88.

14. Gerald Berk, *Alternative Tracks: The Constitution of the American Industrial Order, 1865–1917* (Baltimore, 1994), 16. He paraphrases Roberto Unger, *False Necessity: Anti-Necessitarian Social Theory in the Service of Radical Democracy* (Cambridge, 1987).

similar views of their interests, infusing with value the same principles or modes of behavior. In the process suggested here, individuals in a group may subscribe to a consensus for different reasons, attaching various rationalizations to a pattern of action they now all take for granted. Some endorse a strategy before institutionalized expectations are built around it; others only endorse it because of those altered expectations. Today, some French elites see the EU as a heroic, *volontariste* transformation of the nation-state, while others see it as a regrettable but inevitable adaptation to modern times. To the latter, what has changed with the institutionalization of community ideas is not their basic values but their "necessary" strategies. French culture still contains a variety of competing myths and symbols. But in practical action, certain ways of strategizing have been institutionalized and others crowded out.

If this is a less fully internalized view of the construction of interests, it is not a less ideational one. It simply suggests that ideas may be built into actors' interests indirectly, through the institutional context. Within a group where certain ideas are contested, dissidents end up aligning on one strategy because their peers encourage new expectations from the group's major interlocutors that support that strategy. It is because one set of ideas has been embedded in institutional relationships that dissidents alter their subsequent choices. Over time, as the circumstances of the alignment are forgotten and dissidents rationalize their own choices as optimal, the institutionally embedded ideas may become internalized as well. Even for the more recent steps in European institution building—the EMS, SEA or EMU—those who questioned or opposed these developments now largely repeat the rationales offered by their original champions. I encountered this over and over in interviews with policy-makers whose past dissidence was documented and confirmed by other participants.

But still, the French consensus on the EU does not equate to a deep consensus on community ideas. For France and Europe, the main implication is that some debate is likely to continue over forward steps in the EU's development. Like each previous step in institution building, EMU smothered debate over an important further set of policy questions, but even this tighter institutional context still does not dictate a precise path beyond. Onetime critics of supranationality may now defend a great deal of it as reasonable—majority voting, a single currency, even the European Parliament—but this does not mean they will push for more. How much more the EU will become a United States of Europe remains an open question, in which leaders' ideas, institutional dynamics, and structural changes will all play important roles.

A CERTAIN IDEA OF THEORIZING

As noted in the introductory chapter, this argument's implications extend well beyond the EU. Most directly, my mechanism of the institutional construction of interests should be applicable in many other contexts. Debates that cut across groups or organizations are not rare. Many scholars note "epochal moments" when new problems do not map onto preexisting lines of political mo-

bilization. They tend to hypothesize that these arise amid major environmental change or crisis and over newly salient issues or long-term institutional projects where the costs and benefits of competing positions are unclear. It seems plausible that resultant "battles of ideas" may often be resolved by leaders' manipulation (and then institutionalization) of the expectations of the group's interlocutors. Such processes may not often display themselves as starkly as in the story of France and Europe, which offers an unusual case of the highly politicized, stepwise construction of entirely new institutions in a relatively compressed period of time. But in areas like the establishment and legitimation of parties, interest groups, or social movements, the emergence of other international organizations, or the consolidation of democracy (to name a few), research may reveal similar dynamics.

More broadly, this book has used the EU example to argue that we live in a potentially deeply socially constructed world. By employing conservative methods to isolate the impact of ideas in an unusually clear and important case, I leave skeptics little room to deny the basic plausibility of ideational causation. This makes it difficult to avoid the conclusion that theorizing about a world created by human beings is quite different from theorizing about the worlds of atoms, genes, earthquakes, or ant colonies. At the very least, students of political phenomena cannot assume the generality that seems likely to characterize natural phenomena at some level. Until we ascertain how much particular social constructions have shaped the phenomena we study, trying to construct general theories in politics makes no sense. In other words, even (or especially) those who aspire to a general-theory approach to politics should make research on social construction their highest priority.

I suspect that such research will largely put general-theory approaches to politics to rest for good, however.[15] Instead of uncovering a great deal of generality and validating a Lakatosian search for ever more general theories, I expect we will find that the local invention of ideas and culture accounts for a great deal of variation in most political outcomes (whether "real" variation across categories of phenomena, or counterfactual variation from other historical possibilities). Even phenomena that vary little across societies will be shown to reflect the proliferation of particular ideas as much as or more than a spontaneous parallel convergence due to similar objective conditions. This means that theorizing about politics will always be different from theorizing in the natural sciences. We are dealing with phenomena that are often unique in important ways. General-law-style theorizing in such a discipline is more akin to seeking a philosopher's stone than to attempting to construct a unifying theory in physics.[16]

As is obvious from this book, I do not think that social construction renders

15. Or at least it should. It is more likely that no amount of logic or evidence of particularity will dislodge the fetish for faux hard science—adding ironically to the evidence that ideas matter a great deal.

16. Charles Tilly makes a similar point in *Big Structures, Large Processes, Huge Comparisons* (New York, 1984), 33.

us unable to make major causal arguments about politics with a fair degree of objectivity. Epistemologically, though objective analysis is problematic in a socially constructed world, our very awareness of this problem goes a long way toward solving it. We must question our assumptions and biases constantly—but we must also recognize pragmatically that logic matters, careful empirical work matters, and ultimately some arguments are better than others. But methodologically, again, making causal arguments in a socially constructed world requires that we shift to new standards for theorizing. If we are truly interested in explaining human action in a rigorous way, it does us little good to make up general laws or models and "test" them by correlating predictions to outcomes. Instead we must assign value to those clear, falsifiable arguments that account for the most variation in outcomes, whether for general or particular reasons. Since some plausible explanations of any outcome cannot be evaluated by correlation alone, wherever possible all arguments must trace their causal mechanisms in historical processes. The result will be a study of politics that is more qualitative, more historical, and more careful to address a wide range of alternative explanations than is most work in political science today. It will also be more scientific in a meaningful sense: a more open, more logical competition between plausible theoretical approaches.

Index

Acheson, Dean, 50n. 38, 53–54, 59, 73
Adenauer, Konrad: and de Gaulle, 124–125, 127, 130–135, 137; and ECSC, 53, 59–62; and EEC negotiations, 111–112; and Euratom, 96–97; and Franco-German cooperation, 96; and Franco-German union, 50; and WEU, 101
Administrative officials, French, 24–25; and ECSC, 57–58, 61–62; and EDC, 74, 76; and empty chair crisis, 140; and EMS, 169; and EMU, 212–213, 218–219; and EP elections, 160; and Franco-German cooperation, 96; and Green Pool, 85; and OEEC, 49, 106; and SEA, 189–190, 194; and Snake, 165; and Spaak Report, 105–107, 108n. 99; and White Pool, 87
Agriculture, French, 26–27; and British EEC accession, 155–157; and CAP reform, 187, 189; and early postwar European cooperation, 47–48; and EEC, 112, 114–115, 121–122, 135–138; and empty chair crisis, 140; and EMS, 169; and Green Pool, 83–86; preferences in 1955, 103; and second EEC enlargement, 180, 189–190; and shift to structural reform, 121–122, 135–136; and Spaak Report, 107–108
Algeria, 108–111, 115
Alphand, Hervé: and ECSC, 57–59; and EDC, 70–74, 76, 82; and London Accords, 42n. 14; and OEEC, 48n. 30
AMUE (Association for the Monetary Union of Europe), 213–214
André, Pierre, 57, 79
Antitrust policy. *See* Competition policy
Armaments pool. *See* WEU
Aron, Raymond, 68, 83, 104
Association for the Monetary Union of Europe (AMUE), 213–214
Atomic Energy Commissariat: and EDC, 76; and Franco-German cooperation, 96; and OEEC, 103; and WEU, 96
Attali, Jacques, 185n. 17, 189
Aumeran, Adolphe, 57, 79
Auriol, Vincent, 57, 62n. 101, 70n. 12, 80

Balladur, Édouard: and EMU project, 204–205, 211–213, 221, 223–227; and SEA, 196, 198
Bank of France, 162–163, 165, 172, 212, 222, 227
Bardoux, Jacques, 79, 93
Barre, Raymond, 150, 153–154, 166
Basle-Nyborg Accord, 211
Belgium: and early postwar European cooperation, 40, 46–47, 53; and ECSC, 53n. 47, 60; and EDC, 72; and empty chair crisis, 139–140; and Fouchet Plan, 133; and SEA, 193; and Werner Plan, 161–162
Benelux: and early postwar European cooperation, 40, 45–48; and ECSC, 52–53, 60; and EDC, 72–73; and EEC, 18, 101, 112; and empty chair crisis, 140; and Euratom, 104, 113; and Finebel, 46–47; and OEEC, 98, 101
Bérégovoy, Pierre: and EMU, 213, 217–219; and U-turn of 1983, 171, 173, 186
Berman, Shari, 237–238
Beyen, Jan Willem, 94, 98, 101
Bidault, Georges: and ECSC, 55–58, 62n. 101; and EDC, 72n. 26, 75, 79–80; and Green Pool, 86; and London Accords, 41n. 9, 42; and OEEC liberalization, 99; and White Pool, 88
Biernacki, Richard, 9
Blum, Léon, 40, 56
Boegner, Jean-Marc, 106n. 83, 196
Bonnefous, Édouard, 56, 78
Bosson, Bernard, 197–198
Bouret, Henri, 57, 79
Bretton Woods system, 149–151, 153, 163–164
Brussels Pact. *See* WEU
Bundesbank: and EMS, 151, 167–168; and EMU, 205, 208–209, 213
Bureaucrats. *See* Administrative officials, French
Buron, Robert, 56, 58, 61, 79
Business, French, 25; and early postwar European cooperation, 47n. 27; and ECSC, 57, 61–62; and EDC, 75–76; and EEC, 99, 103, 107, 110, 116n. 139, 122–123, 130, 143; and EMS, 165–167, 173n. 125; and EMU, 214, 219, 222–223; and OEEC, 103, 107; and Rueff Plan, 122; and SEA, 186, 191, 196–197

Cameron, David, 149, 174
CAP (Common Agricultural Policy), 2, 15, 26–27; alternatives to, 100–102, 124; financing arrangements, 138–139, 155–157; negotiation of, 131, 135–138; origins in EEC treaty, 92, 112, 114; reform in 1980s, 188–190; ties to EMS project, 169
Capital liberalization, 179, 205, 208–209, 211–212
CEA (Commissariat à l'énergie atomique). *See* Atomic Energy Commissariat
Centre Démocrate, 158
Centre Démocratie et Progrès, 158
CFDT (Confédération française démocratique du travail), 166n. 87
CFSP (Common Foreign and Security Policy). *See* Foreign policy cooperation
CGA (Confédération générale de l'agriculture). *See* Agriculture, French
Chevènement, Jean-Pierre, 171, 173, 186, 199
Chirac, Jacques, 17, 26; and EMS project, 166, 168; and EMU project, 211–212, 217, 221–228; opposition to EP elections, 160; as premier, 150, 166; and SEA, 190, 196–199; support for Giscard, 159
Clappier, Bernard, 58n. 79, 76, 106n. 84, 162, 165, 167–168
CNPT (Conseil National du Patronat Français). *See* Business, French
Cold War, 23, 37, 40–43
Commissariat à l'énergie atomique (CEA). *See* Atomic Energy Commissariat
Commission of the European Communities: and EMU, 205, 208–209, 212–213, 215; and Luxembourg Compromise, 141; and OEEC FTA, 129–131; and SEA, 178–180, 182, 184, 193, 198
Committee of Central Bank Governors, 204
Common Agricultural Policy. *See* CAP
Common currency plan. *See* EMU
Common external tariff, 106, 130–131
Common Foreign and Security Policy (CFSP). *See* Foreign policy cooperation
Commonwealth, 100, 113, 131
Communists. *See* PCF
Competing currency plan. *See* EMU
Competition policy, 60–61
Confédération française démocratique du travail (CFDT), 166n. 87
Confédération générale de l'agriculture (CGA). *See* Agriculture, French
Conseil National du Patronat Français (CNPF). *See* Business, French
Constitutiveness, 6, 11
Convergence criteria. *See* EMU
Council of Europe, 20, 33, 48–54, 62–63, 65; and Green Pool, 84–85; and White Pool, 88
Council of Ministers: in ECSC, 60; in EDC, 70, 81
Couve de Murville, Maurice: and British EEC accession, 157; as de Gaulle's foreign minister, 127–128, 128n. 49, 134, 136, 139–141; and London Accords, 42n. 14; and Schuman Plan, 57
Cripps, Stafford, 58–59

Daladier, Édouard, 57, 71, 78
Debré, Michel, 120, 129, 160, 168n. 98, 197
De Claremont-Tonnerre, Thierry, 58n. 80, 76
De Gaulle, Charles, 15, 17, 18, 21–22, 119; acceptance of EEC, 126–128; agricultural policies and CAP, 135–138; anti-British strategy, 129–132; and early postwar France, 39n. 3, 40, 43; and ECSC and EDC, 119; and EEC and Euratom, 113n. 132, 119–120, 126; and empty chair crisis, 138–141; and Fouchet Plan, 132–135; and Franco-German treaty, 134; and NATO, 119, 132–135
De Larosière, Jacques, 212–213, 218
Delbos, Yvon, 55, 64
De Leusse, Pierre, 42n. 14, 76
Delors, Jacques: and Delors Committee on EMU, 205, 208–209, 212–213, 215; as minister of finance, 171–173, 186; and SEA, 178, 182, 192
Delors Package (1987), 198
Denis, André, 57, 79
Deregulation, 22, 27; and Gaullists, 190, 196; and SEA, 182, 183, 186, 200
Donnedieu de Vabres, Jacques, 108, 110n. 107
Dooge Committee (Ad Hoc Committee for Institutional Affairs), 190–192
Draft Treaty on European Union, 180, 187
Dumas, Roland, 188, 194, 218

ECB. *See* European Central Bank
Economic and Monetary Union. *See* EMU
ECSC (European Coal and Steel Community), 24, 31; and interest groups, 57, 61–62; negotiation of, 59–62; origins, 50–51, 55–59; plans to extend, 97–98; and public opinion, 62; ratification of, 62–65; ties to other proposals, 67–70, 73–74, 76, 81, 83–89
ECU (European Currency Unit). *See* EMS
EDC (European Defense Community), 31, 33; defeat in France, 74–81; and interest groups, 75–77; negotiation of, 71–74; origins of, 69–71; replacement of, 92–95
Eden, Anthony, 81, 93
Eden Plan (1952), 81
EEC (European Economic Community), 2, 17, 18, 21–22, 27, 31; acceleration of treaty, 123, 130–131; agricultural provi-

sions of, 112; enlargement of, 149, 155–157, 180, 187–188; and interest groups, 103, 107; overseas territories provisions of, 112–113; ratification of, 114–115
EFTA (European Free Trade Association), 131
Eichengreen, Barry, 225–226
Elections: for EP 1979, 160; for EP 1984, 188–189; for EP 1989, 214–215; for French Assembly 1951, 62–63; for French Assembly 1956, 107–108; for French Assembly 1978, 153, 155, 166; for French Assembly 1997, 228; for French president 1974, 158–159; for French president 1981, 169–171; for French president 1995, 224–227; for French regions 1983, 173
Elgey, Georgette, 83
Empty chair crisis. *See* Luxembourg Compromise
EMS (European Monetary System), 27, 31; and ECU, 167–168; and EMU project, 211–212; and European Monetary Fund, 151, 167–168; franc devaluations, 171–173; and MCAs, 169; negotiation of, 151, 167–170; and origins, 166–167; reform plans in 1980s, 192–195; and U-turn of 1983, 172–175
EMU (Economic and Monetary Union), 2, 26–27; common currency plan for, 213, 215, 217–218; competing currency plan for, 215–216; convergence criteria for, 206, 208–209, 212–213, 218; negotiation of, 215–220; opponents' acceptance of, 220–229; origins of, 211–215; Werner Plan for, 161–163
Enlargement of EU membership. *See* EEC
EP (European Parliament): direct election of, 150, 159–160; in Maastricht Treaty, 206, 216, 219. *See also* Elections
EPU (European Political Union), 206, 216, 219
Erhard, Ludwig, 53, 101, 125, 130, 138
ERT (European Roundtable of Industrialists), 186
ESPRIT (European Strategic Program for Research and Development in Information Technology), 180, 191
Euratom (European Atomic Community): and CEA, 103; and de Gaulle, 114n. 132; and French Assembly, 109; negotiation of, 108, 113; origins of, 91, 97–98; and Spaak Committee, 102–106
European Agriculture Community. *See* Green Pool
European Assembly. *See* EP
European Atomic Community. *See* Euratom
European Central Bank (ECB), 21, 204, 209, 212–213, 219
European Coal and Steel Community. *See* ECSC
European Council: at Fontainebleau (1984), 180, 188; at Madrid (1989), 205; origins of, 159; at Strasbourg (1989), 215–216
European Court of Justice, 21
European Currency Unit (ECU). *See* EMS
European Defense Community. *See* EDC
European Economic Community. *See* EEC
European Exchange Rate Agreement. *See* Snake
European Free Trade Association (EFTA), 131
European Health Community. *See* White Pool
European Monetary Fund. *See* EMS
European Monetary System. *See* EMS
European Parliament. *See* EP
European Payments Union, 48–49
European Political Union (EPU), 206, 216, 219
European Roundtable of Industrialists (ERT), 186
European Strategic Program for Research and Development in Information Technology (ESPRIT), 180, 191

Fabius, Laurent, 171, 173, 186, 191
Faure, Edgar, 77, 94–97, 99, 157n. 39
Faure, Maurice, 64, 82, 108, 110, 190
Fédération nationale des syndicats d'exploitants agricoles (FNSEA). *See* Agriculture, French
Finebel, 46–47
FNSEA (Fédération nationale des syndicats d'exploitants agricoles). *See* Agriculture, French
Fontainebleau summit. *See* European Council
Foreign policy cooperation: in Maastricht Treaty, 206, 216, 218–219; and SEA, 180, 185, 191–193. *See also* Fouchet Plan
Fouchet Plan, 132–135
Four-Power talks on Germany, 41
Franco-British Treaty of Dunkirk (1947), 47
Franco-German commercial treaty (1955), 95–96
Franco-German Economic Council, 205
Franco-German Treaty (1963), 20, 134–135
Franco-Italian union (1947), 46
François-Poncet, André, 57n. 74, 76n. 44
Free Trade Area (FTA). *See* OEEC

Gaillard, Félix, 64, 104–105, 114
Garrett, Geoffrey, 177
Gaullists, 15, 18; and British EEC accession, 157; and ECSC, 56, 62, 64, 67; and EDC, 71, 74–77, 79–80, 82, 87; and EEC, 110, 113–115, 120, 126; and EMS, 166–167; and EMU, 211, 215, 217, 220–228; and EP elections, 159–160; and Euratom, 109;

Gaullists (*continued*)
and European Council, 159; and SEA, 190, 196–199; support for Pompidou, 155, 157; and Werner Report, 162; and WEU, 94
Genscher, Hans-Dietrich, 205
Genscher-Colombo initiative, 180
Germany: Allied High Commission for, 42, 46, 61, 73; and CAP, 135–138; and early postwar European cooperation, 53; and ECSC, 59–62; and EDC, 60, 72; and EEC 18, 127, 130–135; and empty chair crisis, 140–141; and EMS, 2, 150–151, 166–169; and EMU, 2, 205–206, 212, 215–220, 227; and Green Pool, 85; occupation and postwar situation, 23–24, 37–43; *Ostpolitik* of, 148, 152; preferences in 1955, 100–101; reunification of, 207, 209, 216; and SEA, 2, 180–184, 192–195; and Snake, 150, 163–165; and Werner Plan, 150, 161–162; and WEU, 101
Giscard d'Estaing, Valéry: and economic policy, 150, 162–169; and EEC enlargement, 180; and EMS, 167–170; and EMU, 213, 215, 217, 225; and EP, 150, 159–160; and European Council, 159; and SEA ratification, 197; and the Snake, 164–166; support for, 157–159, 166
Great Britain: and early postwar European cooperation, 23–24, 40–53; and ECSC, 50–52, 58–59; and EDC, 69, 73; and EEC, 22, 100, 105, 123, 127, 129–131; and EEC rebate, 180, 188; and EMS, 2, 169; and EMU, 2, 206, 212, 215; and Green Pool, 85; and OEEC FTA, 100, 110, 128–131; and SEA, 2, 180–184, 192–195; and Spaak Committee, 105; and WEU, 100
Greece, 190, 193
Green Pool, 33, 83–86
Guigou, Élisabeth, 212, 218
Guillaumat, Pierre, 76n. 50, 103, 120

Haas, Ernst, 4–5, 28, 65, 68, 234
Hall, Peter, 174, 237
Hallstein, Walter, 60, 139
Hamon, Léo, 57, 79
Harmonization of wages and costs: in ECSC, 60; in EEC, 107, 110–111
Herriot, Édouard, 57, 78
Hitchcock, William, 68, 81–82
Howe Plan, 192–193

IAR (International Authority for the Ruhr), 41–42, 45–46, 51–52, 57, 60–61, 65
IGC (Intergovernmental Conference): leading to Maastricht, 215–220; leading to SEA, 193–195
Independents: and creation of UDF, 153, 166; and ECSC, 55–57, 61–64; and EDC, 71, 74–75, 77, 79–81; and EEC, 114–115; electorate of, 158–159; and overseas territories, 113; rebuilding in 1960s, 158n. 45; support for de Gaulle, 128, 157–158; support for Pompidou, 153, 157–158; and WEU, 93. *See also* UDF
Industrial policy: in Maastricht negotiations, 219n. 58; Mitterrand's plans for, 179, 183, 186, 191, 193–194; under Pompidou, 157
Institutionalism, 4–5, 16–17; explanations of EEC, 234–235; explanations of EMU, 207–210; explanations of SEA, 178, 182, 184. *See also* Neofunctionalism
Intergovernmental Conference. *See* IGC
International Authority for the Ruhr. *See* IAR
Italy: and early postwar European cooperation, 40, 45–48, 53; and ECSC, 53; and EDC, 72, 75; and EMS, 169; and Franco-Italian union, 46; and Green Pool, 85; and SEA, 180, 183, 194; and Werner Plan, 162

Jobert, Michel, 164, 171, 173
Jospin, Lionel, 186–187, 228
Jouve, Edmond, 125
Juppé, Alain, 222, 227–228

Kohl, Helmut: and EMU, 205–206, 212, 215–220, 227; and SEA, 192–193, 195
Kojève, Alexandre, 58, 113n. 125
Korean War, 60, 67–68
Küsters, Hans-Jürgen, 96, 102, 108

Lakatos, Imre, 28–29, 241
Laloy, Jean, 57n. 74; 76n. 44
Lalumière, Catherine, 191, 193
Laniel, Joseph, 64, 79–80
Leigh-Pemberton, Robert, 205–206, 213
Lerner, Daniel, 83
London Accords (1948), 42
Loriaux, Michael, 170
Luxembourg: and ECSC, 53n. 48, 60; and EDC, 72; and Fouchet Plan, 133; and Werner Plan, 161–162
Luxembourg Compromise, 20, 33, 138–141; and SEA, 183–187, 190, 192, 196, 199

Maastricht Treaty, 21, 26, 31; negotiation of, 215–220; opponents' acceptance of, 220–229; origins of, 211–215; ratification, 221
Macmillan, Harold, 49n. 37, 131
Madelin, Alain, 191, 225–226
Mansholt, Sicco, 85, 136
Marcellin, Raymond, 158n. 46, 160
Marin, Louis, 47n. 27, 57, 79
Marjolin, Robert, 108, 110–111
Marshall Plan, 23, 41
Massigli, René, 42n. 14, 47n. 27; and EDC,

76, 78, 82; and Schuman Plan, 57–58; and Spaak Committee, 104; and WEU, 93
Mauroy, Pierre, 171, 173, 186
Mayer, René: and ECSC, 55, 64; and EDC, 74, 78, 80
MCAs (Monetary Compensation Amounts), 169, 188n. 35
McNamara, Kathleen, 21, 154n. 30, 237–238
Mendès France, Pierre: and Assembly elections 1956, 91, 107–108; and economic policy, 99; and ECSC, 57; and EDC, 78–80; and EEC, 109, 114; and Franco-German cooperation, 96; and WEU, 92–95
Messina conference, 103–104
Military, French: and armaments pool, 96; and EDC, 76–77
Milward, Alan, 4, 28, 68, 84, 111, 124
Mitterrand, François, 15; choices to maintain EMS, 171–175; and EEC enlargement, 180; in election of 1965, 140; and EMS proposal, 168; and EMU, 205, 211–220; and SEA, 185–195, 197–198; and Union of the Left, 158–159; and U-turn of 1983, 173
MLF (Multilateral Force), 134
Moch, Jules, 57, 69–73, 77–78
Mollet, Guy: and Algeria, 108–111, 114–115; and de Gaulle, 126, 128–129; economic policies of, 110; and ECSC, 56, 63n. 112, 64; and EDC, 77–78, 80; and EEC, 108–114; and elections of 1956, 91, 107–108; and Euratom and French atomic bomb, 108–110; and Green Pool, 84–85; and overseas territories, 112–113
Monetarism, 21; and EMS, 147n. 1, 154n. 30; and EMU, 208, 225–227; French advocates of, 218, 226
Monetary Committee of EEC, 168
Monetary Compensation Amounts (MCAs), 169, 188n. 35
Monnet, Jean: and de Gaulle, 130; and ECSC, 50–51, 55–56, 58–62, 64; and EDC, 69–70, 72–73, 82; and Euratom, 97–98, 104; and Franco-German treaty, 135n. 75; and Green Pool, 84–85; and Messina conference, 103n. 57; and postwar reconstruction, 39, 47n. 27, 48n. 30; and Spaak Committee, 105, 234
Moravcsik, Andrew, 3, 11, 28–31; on EEC, 68; 90n. 1, 102, 118, 124; on EMU, 208–209, 216, 229; on SEA, 170, 177
Mouvement républicain populaire. *See* MRP
MRP (Mouvement républicain populaire), decline of, 158; and ECSC, 55–57, 61, 63; and EDC, 75, 77, 79–80; and EEC, 114–115; and elections of 1951, 62–63, 85; and elections of 1965, 140; support for de Gaulle, 128–129; and White Pool, 88
Multilateral Force (MLF), 134
Mutter, André, 55, 64, 79
Mutual recognition, 177–178

NATO (North Atlantic Treaty Organization): and de Gaulle, 119, 132–135; and German rearmament, 69–73
Neofunctionalism, 4, 23, 118, 178, 234
Netherlands: and CAP, 112, 121–122, 131, 137–138; and early postwar European cooperation, 47, 52–53; and ECSC, 60; and EDC, 72–73; and Fouchet Plan, 133; and Green Pool, 84–85; preferences in 1955, 101; and Werner Plan, 161–162
North Atlantic Treaty Organization. *See* NATO

OEEC (Organization for European Economic Cooperation), 33; in 1954–55, 91, 95–96; in early 1950s, 48–50, 62, 65; and Green Pool, 84–86; origins, 41; and plans for FTA, 100, 110, 123, 128–131; and trade liberalization, 99–100; and White Pool, 87
Oil crises, 150, 152, 154, 164
Organization for European Economic Cooperation. *See* OEEC
Ostpolitik, 148, 152
Overseas territories, 112–113

Parodi, Alexandre: and ECSC, 57; and EDC, 76, 83; and London Accords, 42n. 14, 47n. 27
Parti Communiste Français. *See* PCF
Patronat. *See* Business, French
PCF (Parti Communiste Français), 39, 41; and ECSC, 62, 64; and EDC, 71, 77, 82; and EEC, 114, 143n. 102, 158; and EMS, 173; and EMU, 228
Peasant parties: and ECSC, 55, 64; and EDC, 77, 79–80; and Green Pool, 85
Petsche, Maurice: and ECSC, 56, 58, 61; and EDC, 70; and Green Pool, 84–85
Pflimlin, Pierre, 55, 56n. 62, 83–87
Pflimlin Plan. *See* Green Pool
Philip, André, 56, 63
Pinay, Antoine: and ECSC, 55, 64; and EDC, 74, 79; and EEC, 91, 96–98, 103–104, 115, 126; and Rueff Plan, 122; and support for de Gaulle, 128–129
Pineau, Christian, 108–109
Pinton, Michel, 147, 170,
Pisani, Edgar, 137, 139
Pitman, Paul, 68, 81–82
Pleven, René: and ECSC, 55, 64; and Pleven Plan and EDC, 70–72, 74, 77
Pöhl, Karl-Otto, 205–206, 208, 213
Poidevin, Raymond, 125, 127
Political union. *See* EPU

Pompidou, Georges: and British EEC accession, 149, 156–157; and EEC, 127, 140n. 99; Gaullist conflicts with, 157; and Germany, 156; and Snake, 163–164; and Werner Plan, 150, 161–164
Portugal, 180, 189–190
Poujadists, 108n. 94, 109, 114
Public opinion, French: and British EEC accession, 157; and ECSC, 62; and EEC, 114n. 134, 115n. 137; and EMU, 214

Radicals: decline in 1960s, 158; and ECSC, 55–57, 61–64; and EDC, 71, 74–75, 77–80; and EEC, 114–115; and Euratom, 109; and overseas territories, 113; and WEU, 93
Ramadier, Paul, 63n. 112, 108, 110, 111n. 116, 113
Rassemblement du Peuple Français (RPF). *See* Gaullists
Referendum: on British EEC accession (1972), 153; on Maastricht Treaty, 204, 221; on Senate reform (1969), 158n. 46
Regional policy, 198
Reynaud, Paul, 55–56, 64, 79, 114
Rocard, Michel, 158, 189
RPF (Rassemblement du Peuple Français). *See* Gaullists
Rueff Plan, 122–124, 135

Saarland, 39, 41, 61, 73, 75
Sauvagnargues, Jean, 76n. 44, 104n. 66, 160
Schengen Agreement, 192n. 60
Schmidt, Helmut: and EMS, 167–168; support for France in Snake, 164
Schuman, Robert, 24, 37–38; and ECSC, 54–66; and EDC, 67, 69–70, 72–75, 77, 79; and other community projects, 82–83, 86–87; and WEU, 97n. 29
Schuman Plan, 24, 52–66; in relation to other projects, 67–72, 83–84, 85–86, 88
Schumann, Maurice, 157n. 39, 162
SEA (Single European Act), 21–22, 25n. 71, 31; and EMU, 204, 208–209, 211; negotiation of, 192–195; origins of, 185–192; ratification of, 196–197
Searle, John, 8
Séguin, Philippe, 196, 198
Sikkink, Kathryn, 237–238
Single European Act. *See* SEA
Single Market program. *See* SMP
Smithsonian Agreement (1971), 163
SMP (Single Market program), 2, 26–27, 179, 183–184, 191–195, 200
Snake, 150, 163–166
Social construction, 3, 5–6, 29–31, 236–240
Socialists, 15; economic agenda and EMS, 170–175; and ECSC, 55–57, 61–64; and EDC, 72, 74–78, 80–81; and EEC, 114, 114n. 133; EEC plans in early 1980s, 179–180; and EMU, 214, 217–218, 228; and EP elections, 160; and Euratom, 109; and SEA, 185–187, 189, 191, 199; Spaak Report, 108–109; and Union of the Left, 153, 158–159; and U-turn of 1983, 173–175; and WEU, 93–94
Social policy: and Maastricht Treaty, 206, 214, 216, 219; and SEA, 179, 181, 186, 193–194. *See also* Harmonization of wages and costs
Spaak, Paul-Henri, 90; and Britain, 101, 105; and Spaak Committee, 97–98, 103–106
Spain, 180, 189–190
Spillover, 4, 23, 27, 118, 203, 211
Strauss, Franz-Josef, 98, 101
Structural Funds, 198
Structuralism, 3–4, 15–16, 232–233; explanations of ECSC, 37; explanations of EDC, 81–82; explanations of EEC, 90–91, 118; explanations of EMS, 151–153; explanations of EMU, 207–209; explanations of SEA, 177–178, 181–183
Suez crisis, 111n. 112
Swidler, Ann, 7

Thatcher, Margaret: and EMU, 206, 212, 215; and SEA, 180, 186, 188, 194
Theoretical contributions in the social sciences, 2–3, 12, 28–31
Third Force: and ECSC, 55, 59, 63, 66; and EDC, 67–68, 71, 74–75, 77, 81–82, 89
Transport policy, 88n. 120
Treaty of Rome. *See* EEC
Treaty on European Union. *See* Maastricht Treaty
Trichet, Jean-Claude, 213, 218, 227

UDF (Union pour la Démocratie Française): and EMU, 212, 215, 217, 221, 224–226; and SEA, 190–191, 196–197
UDR (Union pour la Défense de la République). *See* Gaullists
UDSR (Union démocratique et socialiste de la Résistance): and ECSC, 55–57, 63–64; and EDC, 78–80
Union of Soviet Socialist Republics (USSR), 23, 40–43
Union pour la Défense de la République (UDR). *See* Gaullists
Union pour la Démocratie Française. *See* UDF
Union pour la Nouvelle République (UNR). *See* Gaullists
United Kingdom. *See* Great Britain
United States: Atoms for Peace initiative, 101n. 48; and Bretton Woods system, 151;

and early postwar European cooperation, 45–50, 53–54; and ECSC, 53–54, 59, 61; and EDC, 69–73, 81; and EMS, 152, 154; and postwar settlement and Germany, 38, 40–44, 46
UNR (Union pour la Nouvelle République). *See* Gaullists
Uri, Pierre, 105
USSR, 23, 40–43

Valentin, François, 57, 79
Valéry, François, 59, 76n. 44
Veil, Simone, 190, 214–215
Villiers, Georges, 99n. 43, 107

Weber, Max, 10
Werner Plan, 161–163
WEU (Western European Union), 20, 33; and Britain, 100; Brussels Pact as origins, 47–48; development in 1950s, 68–69, 73, 91–95; and Germany, 101
White Pool, 33, 86–88; and armaments pool, 93–94, 100
Wormser, Olivier: and ECSC, 58; and EEC, 104, 105n. 72, 106n. 83; and EEC acceleration, 130n. 55; and empty chair crisis, 139; and EMS, 165, 168; and Werner Plan, 162; and WEU, 94n. 13; and White Pool, 86–87